

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

FREE SPEECH SYSTEMS, LLC,

DEBTOR.

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Case No. 22-60043

Chapter 11 (Subchapter V)

**MOTION OF W. MARC SCHWARTZ AND SCHWARTZ ASSOCIATES, LLC FOR
ORDER ALLOWING ADMINISTRATIVE EXPENSE CLAIM
AND GRANTING RELATED RELIEF**

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY

W. Marc Schwartz and Schwartz Associates, LLC (collectively "Schwartz"), hereby move for entry of an order substantially in the form attached hereto (the "Proposed Order") pursuant to sections 105(a), 327, 330, 363(b) and 503 of title 11 of the United States Code (the "Bankruptcy Code") as follows:

SUMMARY

Name of applicant:	W. Marc Schwartz and Schwartz Associates, LLC
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Applicant's professional role in case:		Proposed Chief Restructuring Officer and Financial Advisor
Indicate whether this is an interim or final application:		Final
Date order of employment was signed:		N/A (Requested via this Motion)
	Beginning of Period	Ending of Period
Total period covered in application	July 30, 2022	September 20, 2022
Time periods covered by any prior applications	N/A	N/A
Total amounts awarded in all prior applications		\$0.00
Amount of retainer received in the case		\$0.00
Total fees applied for in this application and in all prior applications (include any retainer amounts applied or to be applied)		\$
Total professional fees requested in this application		\$347,152.50 ¹
Total professional hours covered by this application		899.20
Average hourly rate for professionals		\$325.00
Total paraprofessional hours covered by this application		0.0
Average hourly rate for paraprofessionals		N/A
Reimbursable expenses sought in this application		\$1,311.39
Total amount to be paid to Priority Unsecured Creditors		TBD
Anticipated % Dividend to Priority Unsecured Creditors		TBD
Total to be paid to General Unsecured Creditors		TBD
Anticipated % Dividend to General Unsecured Creditors		TBD
Date of confirmation hearing		TBD
Indicate whether the plan has been confirmed		No

RELIEF REQUESTED

1. Schwartz requests that the Court enter an order, substantially in the form of the Proposed Order (a) allowing Schwartz an administrative expense claim in the amount of \$348,463.89 (the "Requested Administrative Expense Claim") or other amount as agreed to by the

¹ This amount represents a reduction of \$12,197.00 in fees associated with the disputed Schwartz Employment Application.

parties and announced at or prior to any hearing on this Motion or determined by the Court and (b) authorizing Schwartz to draw the allowed amount of the administrative expense claim allowed against Schwartz's prepetition retainer of \$75,000.00 (the "Retainer").

JURISDICTION

2. The United States Bankruptcy Court for the Southern District of Texas (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. § 1334(b). This matter is a core proceeding under 28 U.S.C. § 157(b)(2)(A). Venue is proper before this Court pursuant to 28 U.S.C. § 1408.

3. The bases for the relief requested herein are sections 105(a), 327, 363(c), and/or 503(b)(1)(A) of title 11 of the United States Code (the "Bankruptcy Code") and Rules 2014, 2016, and/or 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

BACKGROUND

A. Bankruptcy Case and Procedural Posture

4. On July 29, 2022 (the "Petition Date"), the Free Speech Systems, LLC (the "Debtor") commenced a case by filing a petition for relief under chapter 11, subchapter v, of the Bankruptcy Code (the "Chapter 11 Case") with the Court.

5. The Debtor filed an application to employ Schwartz on August 20, 2022 [ECF No. 83] (the "Schwartz Employment Application"). The Debtor sought to employ Schwartz as CRO to adequately perform its duties as debtor-in-possession including overseeing daily business affairs and operation of FSS, interfacing with Alex Jones ("Alex Jones" or "Jones"), PQPR Holdings Limited, LLC ("PQPR") and vendors on selection of Supplements and Non-Supplements to stock, preparation of schedules of assets and liabilities, compliance with reporting requirements and various orders of this Court, preparation of final information and testimony and formulation of bankruptcy strategy and plan of reorganization for FSS under the terms set out in the engagement

letter attached to the Schwartz Employment Application. Schwartz Employment Application at ¶ 1.

6. The U.S. Trustee objected to the employment of Schwartz on September 12, 2022, and amended the objection on September 14, 2022 [ECF No. 145] (the “UST Objection”).

7. The UST Objection argued that the Court should deny the Schwartz Employment Application because of the failure of W. Marc Schwartz to supplement his disclosures required under Bankruptcy Rule 2014 in the cases of (the “IW Cases”) of InfoW, LLC, IWHealth, LLC, and Prison Planet, LLC to indicate that he had begun working for the Debtor prior to the dismissal of the IW Cases. The U.S. Trustee argued that it was appropriate for the Court to exercise its broad discretion under Section 327(a) to address Mr. Schwartz’s prior acts in the related cases—which this case is essentially a continuation of—and deny the Schwartz Application. UST Objection ¶ 2.

8. The Court denied the Schwartz Employment Application at the September 20, 2022, hearing on the Schwartz Employment Application (the “September 20 Hearing”). The Court left open, however, the issue of whether Schwartz was entitled to compensation for the work performed:

I understand that that's going to require some questions as to where that leaves Shannon and Lee and Mr. Schwartz in terms of you know, retention and the work that they've done. And I'll be looking to the Subchapter 5 trustee for guidance here, but there was good work done here. And I think Schwartz and Associates, right, helped the process. We've got cash collateral budgets in place and there was folks who would answer phone calls. From what I hear, what Mr. Schwartz encountered -- and I don't want anyone to leave thinking that I don't think they should be compensated for -- for good work in this case.

Hrg. Tr. 256:14-24. The Court ruled that all rights were reserved with respect to that issue. *Id.* at 257:3-4.

9. On October 4, 2022, Schwartz filed a motion under Rule 59 of the Federal Rules of Civil Procedure seeking a rehearing on the issue of disinterestedness and employment under Bankruptcy Code § 327(e) [ECF No.207] (the “Rule 59 Motion”). Alex Jones [ECF No. 217] and the U.S. Trustee [ECF No. 223] filed objections to the Rule 59 Motion.² Both Jones and the U.S. Trustee disputed the standing/authority of Schwartz to seek the relief requested in the Rule 59 Motion.

10. The Court set the Rule 59 Motion for hearing on October 12, 2022. So that negotiations could continue with the U.S. Trustee and other parties in interest, and to prevent potential conflicting outcomes, Schwartz requested that the hearing on the Rule 59 Motion be continued to November 16, 2022. In the absence of opposition from the parties that objected to the Rule 59 Motion, the Court continued the hearing.

B. Services Provided by Schwartz Prior to Denial of the Schwartz Employment Application.

11. Schwartz maintained detailed written records of the time expended by its professionals rendering professional services to the Debtor during the period from July 30, 2022, through September 20, 2022 (the “Engagement Period”). These time records are reflected in the fee statement attached as Exhibit A hereto.

12. As reflected in the time records, Schwartz professionals provided 899.20 hours of services to the Debtor, as debtor-in-possession, in connection with this chapter 11 case, , as summarized in the following chart which is also attached as Exhibit C hereto:

Timekeeper	Rate	Hours	Fees	Years of Experience
Alex Taylor	150.00	31.60	\$ 4740.00	8
Christian Schwartz	470.00	130.90	\$ 61,523.00	14

² The Sandy Hook Plaintiffs joined in the U.S. Trustee’s objection [ECF No. 226].

Harold Lee	280.00	115.40	\$ 32,312.00	4
Marc Schwartz	690.00	225.60	\$ 155,644.00	48
Mary English	210.00	128.30	\$ 26,943.00	7
Priya Salagundla	325.00	220.90	\$ 71,792.50	5
Susan Schwartz	150.00	46.50	\$ 6,975.00	49
TOTAL:		899.20	\$359,949.50	

13. Schwartz professionals provided services to the Debtor on several categories of matters necessary in this chapter 11 case. A summary of the time spent by Schwartz professionals on the various aspects of the chapter 11 case are reflected in the following chart which is attached as **Exhibit B**:

Category	Total Hours	Total Fees
Preparation and maintenance of bankruptcy scheduled and Statement of Financial Affairs	80.90	\$ 28,265.00
Prepare and maintain rolling 13 week cash flow budgets	45.70	\$ 17,738.00
Maintaining books of account	158.30	\$ 51,074.50
Court filings	30.70	\$ 19,385.00
Prepare for and attend court hearings and creditor meetings	82.10	\$ 48,317.00
Inventory management and acquisition	10.40	\$ 7,176.00
Payroll	19.10	\$ 9,157.00
Managing accounts payable and banking	306.20	\$ 85,456.50
Attention to operations	23.30	\$ 13,936.00
Working on plan of reorganization	9.10	\$ 6,279.00
Travel time (1/2 time charged)	17.00	\$ 8,840.00
Meetings with bankruptcy counsel	67.80	\$ 38,285.00
Internal meetings	17.40	\$ 6,407.50
Other	14.50	\$ 8,110.00
Investigations	2.90	\$ 2,001.00
Discovery	13.80	\$ 9,552.00

TOTAL:	899.20	\$	359,949.50
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14. In connection with providing the services set out above for the Debtor as debtor-in-possession, Schwartz incurred out-of-pocket expenses totaling \$1,311.39. These expenses are reflected in the following chart which is also attached as Exhibit D:

Date	Category	Description	Quantity	Unit Price	Amount
7/30/2022	Prepare for and attend court hearings and creditor meetings	Documents for 1 st day hearing	58	\$ 0.25	\$ 14.50
8/17/2022	Prepare for and attend court hearings and creditor meetings	(Hyatt) Hotel stay in Austin, TX. on 8/18/22 for Dr. Joe	1	\$ 266.85	\$ 266.85
8/16/2022	Prepare for and attend court hearings and creditor meetings	(American airlines) Flight from DFW to AUS for Dr. Joe	1	\$ 744.19	\$ 744.19
8/16/2022	Prepare for and attend court hearings and creditor meetings	(Allianz) Trip Insurance from DFW to AUS for Dr. Joe	1	\$ 42.20	\$ 42.20
8/11/2022	Managing accounts payable and banking	Endorsement stamps for checks	1	\$ 53.41	\$ 53.41
8/03/2022	Travel	Miles from SALLC office to Austin, TX and back	328	\$.58	\$ 190.24
				TOTAL:	\$1,311.39

15. These expenses were necessary expenses for the Debtor to incur to administer its chapter 11 case and, to preserve the value of the Debtor's estate.

16. Pursuant to the Local Rules of Bankruptcy Procedure, Schwartz has segregated its time spent on this engagement into project billing categories as follows:

a. Schedules and SOFA. Schwartz spent a total of 80.90 hours working on preparing Debtor's Schedules and Statement of Financial Affairs for which Schwartz requests allowance of an administrative expense of \$28,265.00. Time spent in this category was devoted to tasks such as: researching the accounting records and recording the information contained therein in the appropriate sections of the Bankruptcy Schedules and Statement of Financial Affairs.

b. Preparing and Maintaining Rolling 13 Week Cash Flow Budgets. Schwartz spent 45.70 hours preparing and maintaining Debtor's rolling 13 week cash flow budgets for which Schwartz requests allowance of an administrative expense of \$17,738.00. Time spent in this category was devoted to tasks such as: analyzing Debtor's weekly operations as recorded in the Debtor's books of account for the two months preceding bankruptcy to identify recurring income and expenditures by the approximate week they were paid or received. Following preparation of the initial 13 Week Budget, Schwartz updated the Budget as circumstance dictated and prepared actual to budget comparisons and variance reports which were provided to creditors representatives and the Subchapter V Trustee.

c. Maintaining Books of Account. Schwartz spent 158.30 hours maintaining Debtor's books of account for which Schwartz requests allowance of an administrative expense of \$51,074.50. Time spent in this category was devoted to tasks such as: as the Debtor had no accounting personnel and was unable to locate a bookkeeping service willing to work for the Debtor, Schwartz personnel continued to maintain the books of account following the bankruptcy filing. This involved recording all financial transactions in the books of account, and reconciling the bank and accounts payable ledgers each month.

d. Court filings. Schwartz spent 30.70 hours on court filings for which Schwartz requests allowance of an administrative expense of \$19,385.00. Time spent in this

category was devoted to tasks such as: This task principally consists of time spent reviewing court filings and drafts of proposed filings provided by counsel.

e. Preparation for and Attendance at Court Hearings and Creditor Meeting.

Schwartz spent 82.10 hours preparing for and attending Court hearings and the Creditor Meeting for which Schwartz requests allowance of an administrative expense of 48,317.00. Time spent in this category was devoted to tasks such as: This task involved reviewing documents and schedules in preparation for attending court hearings, attending Initial Debtors Conference and the 341 meeting and respond to questions, and locating an expert on inventory fulfillment issues in preparation for probable testimony at a cash collateral hearing.

f. Inventory Management and Acquisition. Schwartz spent 10.40 hours on

Debtor's inventory management and acquisition for which Schwartz requests allowance of an administrative expense of \$7,176.00. Time spent in this category was devoted to tasks such as: This task was time spent by the CRO in working on solutions to acquiring new inventory without incurring additional liabilities and in evaluating inventory on hand and Debtor's proposed inventory acquisitions.

g. Payroll. Schwartz spent 19.10 hours with respect to Debtor's payroll for

which Schwartz requests allowance of an administrative expense of \$9,157.00. Time spent in this category was devoted to tasks such as: Following the filing of the Bankruptcy Petition, ADP, the Debtor's payroll service, advised the Debtor that it was terminating the business relationship. This time was incurred in locating a viable alternative payroll solution as well as replacement life, health and disability insurance for the Debtor's employees.

h. Maintaining Accounts Payable and Banking. Schwartz spent 306.20 hours

maintaining Debtor's accounts payable and banking transactions for which Schwartz requests

allowance of an administrative expense of \$85,456.50. Time spent in this category was devoted to tasks such as: This task involved making changes to the Debtor's accounts payable system to permit accounting to receive all vendor invoices when submitted by the vendor and clearing a large backlog of past due invoices. Daily Schwartz personnel received vendor invoices, processed them into accounts payable and set them up for payment. Ultimately, Schwartz personnel were paying the unpaid invoices every Friday.

i. Operations. Schwartz spent 23.30 hours with respect to Debtor's operations for which Schwartz requests allowance of an administrative expense of \$13,936.00. Time spent in this category was devoted to tasks such as: This task primarily involved reviewing daily reports on merchandise sales and fulfillment, meeting with Debtor senior management on personnel, inventory, and explaining new health care plan to employees.

j. Plan of Reorganization. Schwartz spent 9.10 hours with respect to Debtor's Plan of Reorganization for which Schwartz requests allowance of an administrative expense of \$6,279.00. Time spent in this category was devoted to tasks such as: This time principally consists of time spent analyzing operations and developing an estimate of probable disposable income for use in the proposed Plan of Reorganization.

k. Travel Time. Schwartz spent 17.00 hours of travel time that was billed at ½ the standard hourly rate for which Schwartz requests allowance of an administrative expense of \$8,840.00. Time spent in this category was devoted to tasks such as: This is time spent traveling to and from the Debtor's principal place of business in Austin.

l. Meetings with Bankruptcy Counsel. Schwartz spent 67.80 hours meeting with bankruptcy counsel for which Schwartz requests allowance of an administrative expense of \$38,285.00. Time spent in this category was devoted to tasks such as: This task consists of time

expended attending daily meetings with the Debtor's bankruptcy counsel to review issues, status of work in process, pending filings and hearings, and problems.

m. Internal Meetings. Schwartz spent 17.40 hours for internal meetings for which Schwartz requests allowance of an administrative expense of \$6,407.50. Time spent in this category was devoted to tasks such as: This task consists of meetings of Schwartz' personnel for the purpose of reviewing work completed, making assignments of work, and communicating information needed to complete assigned tasks.

n. Other. Schwartz spent 14.50 hours on other miscellaneous matters for which Schwartz requests allowance of an administrative expense of \$8,110.00. Time spent in this category was devoted to tasks such as: This involves a variety of miscellaneous tasks such as virtual meeting with the Debtor's corporate representative to brief her on current developments at the Debtor, reviewing proposed engagement agreements to employ counsel, and responding to questions from trial counsel.

o. Investigations. Schwartz spent 2.90 hours on investigations for which Schwartz requests allowance of an administrative expense of \$2,001.00. Time spent in this category was devoted to tasks such as: Researching transactions with PQPR and the Debtor, owner draws, and legal bills incurred by the Debtor.

p. Discovery. Schwartz spent 13.80 hours on discovery for which Schwartz requests allowance of an administrative expense of \$9,522.00. Time spent in this category was devoted to tasks such as: Responding to interrogatories and requests for production served on the Debtor.

BASIS FOR RELIEF

A. Compensation and Reimbursement of Expenses under Bankruptcy Code § 330 for Services Provided Prior to September 20, 2022

17. While the Court questioned Schwartz's ability to impartially represent the Debtor regarding difficult decisions that may become necessary related to Alex Jones and PQPR (Hrg. Tr. 247:6-11), it also stated that its decision left open questions about where that left Schwartz in terms of retention and the work it performed prior to the ruling (Hrg. Tr. 256:14-17). Further, the Court stated that all parties' rights were reserved with respect to compensation for the services provided in the case. (Hrg. Tr. 257:3-4).

18. The Debtor has elected to leave this issue for the relevant professionals to pursue.³ On October 3, 2022, the Debtor filed an emergency application to employ Patrick Magill as replacement CRO and the Court entered an order approving the employment of Mr. Magill on October 13, 2022. The Court entered an order compelling mediation on October 12, 2022 [ECF No. 233].

19. Courts have held that a professional may seek approval of its employment in connection with an application for compensation. In *Mehdipour v. Marcus & Millichap (In re Mehdi-pour)*, 202 B.R. 474 (B.A.P. 9th Cir. 1996), *aff'd* 139 F.3d 1303 (9th Cir. 1998), the debtor-in-possession entered an agreement to retain a broker and filed an application to employ the broker with the bankruptcy court. *Id.* at 477. After the broker began marketing the debtor's real property, the debtor later withdrew the application upon learning that the broker was a business partner for the successful purchaser and loaned the successful purchaser the escrow deposit to participate in an auction. *Id.* The broker later filed an application to employ on its own behalf. The Court denied the broker's application to employ because it was not filed by the debtor but that it should seek

³ Schwartz has and will continue to offer its assistance to the new CRO and has done so directly and through counsel for FSS. Through this Motion, Schwartz seeks only allowance of an administrative expense and related relief. Schwartz does not seek to require the Debtor to continue to engage Schwartz going forward.

compensation under Bankruptcy Code § 503(b). *Id.* The bankruptcy court subsequently granted the broker's motion for administrative expense under section 503(b). *Id.* In ruling on the debtor's appeal, the Ninth Circuit B.A.P. reasoned that the broker *did* have standing to seek its employment and treated the request for administrative expense as an application to employ. *See Id.* at 479-80 ("The bankruptcy court's award of fees was de facto approval of [the broker's] employment."). Other courts have also considered and approved retroactive employment of the in the context of applications for compensation. *E.g., In re McKenzie*, No. 08-16378, 2013 Bankr. LEXIS 2672 (Bankr. E.D. Tenn. July 2, 2013); *In re Little Greek Rest.*, 205 B.R. 484 (Bankr. E.D. La. 1996); *In re Saybrook Mfg. Co.*, 108 B.R. 366 (Bankr. M.D. Ga. 1989); *see also In re Triangle Chems.*, 697 F.2d 1280, 1289 (5th Cir. 1983) (reversing a bankruptcy court's decision on the basis that the court had discretion to approve such employment).

20. While the Court denied the Schwartz Employment Application—employment of Schwartz as CRO and FA going forward— Schwartz submits that it was a disinterested person with respect to the services provided from the Petition Date through September 20, 2022, and is therefore eligible to be employed and compensated for such services. As set out in the declaration of W. Marc Schwartz accompanying the Schwartz Employment Application and presented in evidence at the September 20 Hearing, Schwartz was not (a) a creditor, equity security holder, or insider of the Debtor during that period or (b) or within two years before the Petition Date a director, officer, or employee of the debtor. Schwartz does not have any economic interest that would tend to lessen the value of the estate or create an actual or potential dispute in which the estate is a rival claimant. And, as set out in detail in the Rule 59 Motion, Schwartz had no predisposition that renders bias against the estate under the circumstances with respect to the

services provided during the Engagement Period.⁴

21. The Court has the authority to allow compensation for Schwartz for the services provided to the Debtor through September 20, 2022, that are not related to any potential conflict, without disturbing the order entered on September 20, 2022. As described in *In re Mehdipour*—summarized above—while compensation must be denied while a professional has a conflict, the “bankruptcy court has discretion to award or deny compensation for services performed outside of a conflict” and “[t]he court is not required to deny fees for work actually performed.” 202 B.R. at 478. Other courts have similarly held that professionals may be retained and compensated for work performed unrelated to an adverse interest that they hold or represent. *See, e.g., In re Relativity Media, LLC*, No. 18-11358 (MEW), 2018 Bankr. LEXIS 2037, at *20 (Bankr. S.D.N.Y. July 6, 2018) (authorizing employment of attorney for debtor-in-possession on the condition of obtaining separate counsel to address disputes against a party with respect to which the attorney had a conflict); *Exco Res. v. Milbank*, 2003 U.S. Dist. LEXIS 1442, at *26 (S.D.N.Y. Jan. 28, 2003) (affirming employment of counsel where attorney would not be handling any matter with respect to the matter in which the attorney had an adverse interest); *In re Granite Partners, L.P.*, 219 B.R. 22, 41 (Bankr. S.D.N.Y. 1998) (“[A] conflict does not necessarily taint every aspect of the representation. Where the professional has performed some service of unquestioned value, total denial of fees might result in an inequitable windfall to the estate.”) (allowing fees for services not related to any conflict); *In re Leslie Fay Cos.*, 175 B.R. 525, 539 (Bankr. S.D.N.Y. 1994) (authorizing attorney to continue to provide services on matters that it had already started but not take on new matters and allowing fees for unconflicted matters).

B. The Requested Administrative Expense Claim meets the Standards of Compensation and Reimbursement Under Bankruptcy Code §330.

22. Subject to employment for the services Schwartz provided through September 20, 2022, the Requested Administrative Expense Claim is compensable under Bankruptcy Code § 330. The compensation awarded must be reasonable for services that were actually provided and

⁴ As set out in detail in the Rule 59 Motion, Schwartz identified and advocated for positions directly contrary to the positions asserted by Alex Jones and PQPR during and prior to the Engagement Period.

necessary for administration of the bankruptcy estate or to achieve a reasonably likely benefit to the estate. *See* 11 U.S.C. § 330(a); *In re Woerner*, 783 F.3d 266, 276 (5th Cir. 2015). Reimbursement must be for actual and necessary expenses. *See* 11 U.S.C. § 330(a)(1)(B). Section 330(a)(3) indicates that courts should take into account all relevant factors in determining the amount of reasonable compensation and lists six (6) non-exclusive factors.

23. The Fifth Circuit has instructed that additional factors apply with respect to attorneys. In *In re First Colonial Corp. of America*, 544 F.2d 1291 (5th Cir. 1977), cert. denied, 431 U.S. 904 (1977), the Fifth Circuit adopted twelve factors to apply to the determination of awards of attorneys' fees in bankruptcy cases: (i) time and labor required; (ii) the novelty and difficulty of the questions; (iii) the skill requisite to perform the legal service properly; (iv) the preclusion of other employment by the professional due to acceptance of the case; (v) the customary fee; (vi) whether the fee is contingent or fixed; (vii) time limitations imposed by the client or the circumstances; (viii) the amount involved and the results obtained; (ix) the experience, reputation and ability of the attorneys; (x) the "undesirability" of the case; (xi) the nature and length of the professional relationship with the client; and (xii) awards in similar cases. *In re First Colonial*, 544 F.2d at 1298-99. These factors were borrowed from *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714, 717-19 (5th Cir. 1974), a non-bankruptcy case, and are commonly referred to as the "*Johnson* factors."

24. Applied to the services of Schwartz in this Case, those factors are addressed as follows:

- a. Time and Labor Required. The professional services rendered by Schwartz on behalf of the Debtor required a high degree of professional competence and expertise. **Exhibit A** to this Motion contains copies of Schwartz's time entries for services provided to the Debtor, as debtor in possession, in this chapter 11 case through September 20, 2022, and sets forth in detail all the time for which

compensation is sought, as well as the specific actions or matters addressed by each of the professionals.

- b. Novelty and Difficulty of Questions Presented. This Johnson factor examines the degree of novelty and difficulty of the issues encountered by Schwartz in representing the Debtor. Schwartz faced several difficult and complex legal issues, including:
 - i. The General Ledger had not been posted for 2022;
 - ii. Devising mechanisms and strategy to locate the information to accurately post the General Ledger;
 - iii. ADP notified the Debtor that it had terminated the contract and Schwartz was forced to find a replacement payroll service;
 - iv. Obtaining health, life and disability insurance to replace that offered by ADP;
 - v. Creating the Schedules and SOFA;
 - vi. Addressing inventory fulfillment issues;
 - vii. Bookkeeping issues;
 - viii. Banking challenges;
 - ix. Balancing issues relating to the Texas and Connecticut Litigation;
 - x. Issues relating to PQPR; and
 - xi. Addressing the numerous emergencies arising related to the Debtor's daily business operations.
- c. Skill Requisite to Perform Service. The services provided by Schwartz required a high level of skill, particularly because of the compressed time periods and finding creative ways to finance the Debtor's business;
- d. Preclusion of Other Employment Due to Acceptance of Case. The complexity and urgency of this case severely curtailed Schwartz' ability to develop business;
- e. Customary Fee. The hourly rates sought herein are commensurate with the rates charged and approved in other bankruptcy proceedings pending in the Southern District of Texas;

- f. Whether the Fee is Fixed or Contingent. Schwartz charges its customary hourly rate and no part of its fee is contingent;
- g. Time Limitations Imposed by Client or Other Circumstances. The time requirements of this Case have been significant given the circumstances surrounding the Debtor;
- h. Amount Involved and Results Obtained. Schwartz provided 899.20 hours of CRO and related services to the Debtor. As a result of Schwartz's efforts, the Debtor was able to balance its books, prepare weekly financials, resolve issues with its vendors, implement a new payroll service and find alternative sources of funding;
- i. Experience, Reputation and Ability of Professionals. W. Marc Schwartz is experience bankruptcy professional with a stellar reputation. The professionals reflected on Exhibit C, hereto are experienced restructuring professionals of significant integrity in the Southern District of Texas;
- j. Undesirability of Case. Representation of the Debtor in this chapter 11 case was undesirable. The Debtor's principal is a controversial figure and the subject of public ire. Further, given the contentious nature of the Sandy Hook Litigation and the underlying claims, even matters that should be easily agreed on are fiercely contested;
- k. Nature and Length of Professional Relationship with Client. Schwartz acted as CRO in the IW Cases and thereafter was retained by this Debtor; and
- l. Award in Similar Cases. The compensation requested herein is comparable to, if not less than, the compensation allowed in other cases similar in size and complexity to this case.

C. Administrative Expense under Bankruptcy Code Bankruptcy Code § 503(b)(1)(A) for Costs and Expenses Necessary to Preserve the Estate

25. *Mehdipour v. Marcus & Millichap (In re Mehdipour)*, 202 B.R. 474 (B.A.P. 9th Cir. 1996), *aff'd* 139 F.3d 1303 (9th Cir. 1998)—summarized above—additionally provides support for a professional seeking limited compensation under Bankruptcy Code § 503(b)(1)(A). According to the 9th Circuit B.A.P., “[c]ourts may allow compensation for professional services under § 503(b)(1)(A) as administrative expenses if the services provided by a disinterested professional were necessary to preserve the estate.” *Id.* at 478. The standard for an administrative expense for such services is higher than for compensation under Bankruptcy Code § 330. *See id.*

at 479 (“[I]n order for the court to grant compensation under § 503, the services ‘must benefit all the creditors, be necessary for a successful reorganization, and generally arise from operating the estate in the overall interests of the creditors.’”).

26. This is consistent with the Fifth Circuit Court of Appeals’ decision in *McBride v. Riley (In re Riley)*, 923 F.3d 433 (5th Cir. 2019). Although *In re Riley* involved a chapter 13 case, the Court of Appeals reasoned that there were two ways that payments owed to a debtor’s attorney could be classified as an administrative expense claim: “(1) if the payments are necessary expenses to preserve the estate under § 503(b)(1); or (2) if the payments are compensation or reimbursement under § 503(b)(2) (which links to 11 U.S.C. § 330(a), which, in turn, under § 330(a)(4)(B), permits ‘reasonable compensation’ for attorneys based on services rendered).”⁵ *Id.* at 436.

27. In analyzing whether particular expenses advanced by the attorney in *In re Riley* fell under the rubric, the Fifth Circuit applied the standard two-prong test of whether an obligation was an “administrative expense.” *Id.* at 439. The first prong is that the obligation must arise from a post-petition transaction with the estate, rather than the debtor personally. *Id.* The second prong is that the goods or services received in exchange for the obligation must directly benefit the estate. *Id.* As indicated in the Court of Appeals’ ultimate ruling that the relevant expenses could be considered and allowed as part of the attorney’s compensation and reimbursement under section 330—but not as section 503(b)(1)(A) administrative expenses—the standard under section 503(b)(1)(A) is stricter. *See id.* at 441. The costs and expenses must maintain or add value to the estate to fall under Bankruptcy Code § 503(b)(1)(A). *Id.* at 440.

28. Schwartz submits that all of the Requested Administrative Expense Claims is for services provided to and expenses incurred on behalf of the Debtor that directly preserved the

⁵ In a chapter 11 case, section 330(a)(1)—rather than section 330(a)(4)(B)—applies with respect to professional compensation.

Debtor's bankruptcy estate, including, without limitation (a) creating accounting information to facilitate a Plan of Reorganization; (b) managing vendor relationships; (c) preserving employee value and employee benefits; (d) providing a new inventory funding mechanism; and (e) preserving the Debtor's banking relationships.

D. Application of Retainer.

29. Schwartz holds the Retainer in the amount of \$75,000.00 in its trust account. Schwartz requests that, upon allowance of this Motion, Schwartz be permitted to apply the retainer it is holding to its allowed administrative claim. To the extent not otherwise authorized pursuant to this Motion, Schwartz requests authority to draw on the Retainer that was provided for these expenses pursuant to Bankruptcy Code § 363(c).

CONCLUSION

WHEREFORE, Schwartz respectfully requests that this Court enter an order substantially in the form of the Proposed Order (a) in the amount of the Requested Administrative Expense Claim or other amount as agreed to by the parties and announced at or prior to any hearing on this Motion or determined by the Court and (b) authorizing Schwartz to draw the allowed amount of the administrative expense claim allowed against the Retainer. This relief is consistent with the Court's ruling at the September 20 Hearing and does not require disturbing the related order.

Respectfully submitted,

KANE RUSSELL COLEMAN & LOGAN PC

By: /s/ Michael P. Ridulfo
Michael P. Ridulfo
State Bar No. 16902020
Federal Bar No. 27086
5151 San Felipe, Suite 800
Houston, Texas 77056
(713) 425-7400
(713) 425-7700 (fax)
E-mail: mridulfo@krcl.com

*Counsel for W. Marc Schwartz and
Schwartz Associates, LLC*

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served (a) at the time of filing, by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas on all parties registered to receive such service and (b) within 24 hours of the filing, on the parties on the attached service list by U.S.P.S. first class mail.

/s/Michael P. Ridulfo
Michael P. Ridulfo

SERVICE LIST

Debtor and Counsel

Free Speech Systems, LLC
3019 Alvin Devane Blvd., STE 300
Austin, TX 78741

Attn: Ray Battalia
Law Offices of Raymond W. Battaglia
66 Granburg Cir.
San Antonio, TX 78218

Twenty Largest Unsecured Creditors

Elevated Solutions Group
28 Maplewood Drive
Cos Cob, CT 06870

Christopher Sadowski
c/o Copycat Legal PLLC
3111 N. University Drive STE 301
Coral Springs, FL 33065

Atomial LLC
1920 E. Riverside Dr.
Suite A-120 #124
Austin, TX 78741

Cloudflare, Inc
Dept LA 24609
Pasadena, CA 91185-4609

Jacquelyn Blott
200 University Blvd
Suite 225 #251
Round Rock, TX 78665

Joel Skousen
PO Box 565
Spring City, UT 84662

eCommerce CDN, LLC
221 E 63rd Street
Savannah, GA 31405

Paul Watson
9 Riverdale Road
Ranmoor Sheffield
South Yorkshire S10 3FA
United Kingdom

Brennan Gilmore
c/o Civil rights Clinic
600 New Jersey Avenue, NW
Washington, DC 20001

Greenair, Inc
23569 Center Ridge Rd
Westlake, OH 44145

Edgecast, Inc
Dept CH 18120
Palatine, IL 60055

Ready Alliance Group, Inc
PO Box 1709
Sandpoint, ID 83864

Getty Images, Inc
PO Box 953604
St. Louis, MO 63195-3604

RatsMedical.com
c/o Rapid Medical
120 N Redwood Rd
North Salt Lake, UT 84054

David Icke Books Limited
c/o Ickonic Enterprises Limited
St. Helen's House King Street
Derby DE1 3EE
United Kingdom

WWCR
1300 WWCR Ave
Nashville, TN 37218-3800

JW JIB Productions, LLC
2921 Carvelle Drive
Riviera Beach, FL 33404

CustomTattoNow.com
16107 Kensington Dr. #172
Sugar Land, TX 77479

AT&T
PO Box 5001
Carol Stream, IL 60197-5001

Justin Lair
1313 Lookout Ave
Klamath Falls, OR 97601

Parties Claiming Interest or Lien Affected

PQPR Holdings Limited, LLC
c/o Stephen Lemmon
1801 S. Mopac Expressway, Suite 320
Austin, TX 78746

Parties Filing Notice of Appearance

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Stephen A Roberts, P.C.
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Subchapter V Trustee

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Subchapter V Trustee
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Houston, TX 77002

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Jackson Walker LLP
1401 McKinney St., STE 1900
Houston, TX 77010

U.S. Trustee

Attn: Ha M. Nguyen, Jayson B. Ruff
Office of the U.S. Trustee
515 Rusk Ave STE 3516
Houston, TX 77002

Additional Notice Parties

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Kaster Lynch Farrar & Ball, LLP
1117 Herkimer Street
Houston, TX 77008

Attn: Alinor C. Sterlin, Christopher Mattei,
Matthew Blumenthal
Koskoff Koskoff & Bieder
350 Fairfield Avenue
Bridgeport, CT 06604

Exhibit A

**FREE SPEECH SYSTEMS, LLC
SCHWARTZ ASSOCIATES, LLC
PROFESSIONAL FEES AND EXPENSES DETAIL
JULY 30 TO SEPTEMBER 19, 2022**

Date	Employee Name	Description	Quantity	Unit Price	Amount
7/30/2022	Marc Schwartz	Hearing Prep- reviewing documents in preparation for pre hearing meeting with counsel for 1st day hearing	5.00	\$ 690.00	\$ 3,450.00
7/31/2022	Marc Schwartz	Reading pleading in Texas litigation	2.00	\$ 690.00	\$ 1,380.00
7/31/2022	Marc Schwartz	Reviewing 1st day motions	0.40	\$ 690.00	\$ 276.00
7/31/2022	Marc Schwartz	Review documents sent by K Lee related to ongoing litigation	1.00	\$ 690.00	\$ 690.00
7/31/2022	Marc Schwartz	Meet with K Lee to go over expected testimony tomorrow and precedent cases he asked me to review	1.00	\$ 690.00	\$ 690.00
7/31/2022	Marc Schwartz	Review cases provided by K Lee (.7), research legal expenses (.5) review Plaintiff's 4th petition(.6) read revised witness outline (.5) and integrate all into First Day Hearing binder (.2)	2.50	\$ 690.00	\$ 1,725.00
8/1/2022	Christian Schwartz	Christian Schwartz: First Day Hearing	1.00	\$ 470.00	\$ 470.00
8/1/2022	Christian Schwartz	Meet with M Schwartz (.7) Reach out to J Schulse (.3)	1.00	\$ 470.00	\$ 470.00
8/1/2022	Harold Lee	Status Meeting to discuss schedules required for motions and prepared same	4.30	\$ 280.00	\$ 1,204.00
8/1/2022	Marc Schwartz	Hearing prep with K Lee	0.50	\$ 690.00	\$ 345.00
8/1/2022	Marc Schwartz	Hearing on emergency motion to lift stay	1.30	\$ 690.00	\$ 897.00
8/1/2022	Marc Schwartz	Meeting with K Lee, RJ Shannon, S Jordan, R Battaglia following hearing to work on preparation for hearings on 8/3 and 8/5	1.00	\$ 690.00	\$ 690.00
8/1/2022	Marc Schwartz	Work with K Lee and RJ Shannon on issues related to upcoming hearings this week	0.40	\$ 690.00	\$ 276.00
8/1/2022	Marc Schwartz	Reviewing A Jones Draw analysis through 2020	0.60	\$ 690.00	\$ 414.00
8/1/2022	Priya Salagundla	Review of member's draw; Compensation	2.90	\$ 325.00	\$ 942.50
8/2/2022	Alex Taylor	TV Studio Rental Research	0.60	\$ 150.00	\$ 90.00
8/2/2022	Christian Schwartz	Review draw analysis	1.50	\$ 470.00	\$ 705.00
8/2/2022	Christian Schwartz	Meet with Staff re: status of work and next steps	0.70	\$ 470.00	\$ 329.00
8/2/2022	Christian Schwartz	Meet with Counsel re status and strategy	1.80	\$ 470.00	\$ 846.00
8/2/2022	Christian Schwartz	Review schedules and pleadings	3.40	\$ 470.00	\$ 1,598.00
8/2/2022	Harold Lee	Bookkeeping	1.20	\$ 280.00	\$ 336.00
8/2/2022	Harold Lee	Prepared Schedules for court filing	5.90	\$ 280.00	\$ 1,652.00
8/2/2022	Marc Schwartz	MANAGEMENT - Call with Pat Riley to discuss fulfillment issues	0.80	\$ 690.00	\$ 552.00
8/2/2022	Marc Schwartz	Call with counsel to prepare for Wed cash collateral hearing	2.00	\$ 690.00	\$ 1,380.00
8/2/2022	Marc Schwartz	MANAGEMENT Approve and sign bank account opening documents	0.50	\$ 690.00	\$ 345.00
8/3/2022	Christian Schwartz	Travel to a from Austin. 7 hours billed at half time	3.50	\$ 470.00	\$ 1,645.00
8/3/2022	Christian Schwartz	Meet with J Shulse in Austin	6.00	\$ 470.00	\$ 2,820.00
8/3/2022	Harold Lee	Bookkeeping and prepared schedules from same	3.10	\$ 280.00	\$ 868.00
8/3/2022	Marc Schwartz	Meeting with counsel prior to hearing	1.00	\$ 690.00	\$ 690.00
8/3/2022	Marc Schwartz	Attend and testify at cash collateral hearing	6.00	\$ 690.00	\$ 4,140.00
8/3/2022	Marc Schwartz	Meet with counsel after hearing to go over evidence for Friday's hearing on Motion to Lift Stay	1.50	\$ 690.00	\$ 1,035.00
8/4/2022	Alex Taylor	CT Cost of Living Research	1.30	\$ 150.00	\$ 195.00
8/4/2022	Alex Taylor	Review of AMEX Statement	3.40	\$ 150.00	\$ 510.00
8/4/2022	Christian Schwartz	Call with Counsel re status and strategy	1.00	\$ 470.00	\$ 470.00
8/4/2022	Christian Schwartz	Meet with Staff re status and next steps	0.50	\$ 470.00	\$ 235.00
8/4/2022	Christian Schwartz	Review credit card statements and critical vendors -	0.50	\$ 470.00	\$ 235.00
8/4/2022	Christian Schwartz	Meet with staff	0.50	\$ 470.00	\$ 235.00
8/4/2022	Christian Schwartz	Review FSS Financial information -	1.20	\$ 470.00	\$ 564.00
8/4/2022	Christian Schwartz	Communication with FSS Staff on new accounting procedures	1.00	\$ 470.00	\$ 470.00
8/4/2022	Harold Lee	Prepared Schedules and performed bookkeeping services	2.30	\$ 280.00	\$ 644.00
8/4/2022	Harold Lee	Bookkeeping	3.00	\$ 280.00	\$ 840.00
8/4/2022	Marc Schwartz	Read memo from counsel re Motion to Remand	0.20	\$ 690.00	\$ 138.00
8/4/2022	Marc Schwartz	Read depo selections from A Jones on donation accounts	0.10	\$ 690.00	\$ 69.00
8/4/2022	Marc Schwartz	Call with counsel to go over evidence and tasks to be done for hearing tomorrow on Motion to Lift Stay	1.50	\$ 690.00	\$ 1,035.00
8/4/2022	Marc Schwartz	Axos Bank on setting up Users and authorities	0.50	\$ 690.00	\$ 345.00
8/4/2022	Marc Schwartz	Reviewing American Express charges, instructions on identifying key vendors charging Amex card for services	0.40	\$ 690.00	\$ 276.00
8/4/2022	Marc Schwartz	Axos bank user setup, working with bank enrollment staff	1.00	\$ 690.00	\$ 690.00
8/4/2022	Marc Schwartz	Working on replacing Amex to cover vendors who provide hi tech services and charge a credit or debit card	0.70	\$ 690.00	\$ 483.00
8/4/2022	Mary English	Cost of Lifting Stay research for schedule and daily QuickBook entries of FSS vendor invoices for payment.	3.30	\$ 210.00	\$ 693.00
8/4/2022	Priya Salagundla	Internal status meeting re work completed and next steps	0.50	\$ 325.00	\$ 162.50
8/4/2022	Priya Salagundla	Updated daily depository schedule; review of AMEX vendors	0.50	\$ 325.00	\$ 162.50
8/5/2022	Alex Taylor	Review of AMEX Statement	1.80	\$ 150.00	\$ 270.00
8/5/2022	Christian Schwartz	Review Notes from yesterday.	0.50	\$ 470.00	\$ 235.00
8/5/2022	Christian Schwartz	Call with Security company on past due invoices	0.30	\$ 470.00	\$ 141.00
8/5/2022	Christian Schwartz	Meet with Staff re: status of work and next steps	0.30	\$ 470.00	\$ 141.00
8/5/2022	Christian Schwartz	Internal calls re: bills and invoices	0.80	\$ 470.00	\$ 376.00



**FREE SPEECH SYSTEMS, LLC
SCHWARTZ ASSOCIATES, LLC
PROFESSIONAL FEES AND EXPENSES DETAIL
JULY 30 TO SEPTEMBER 19, 2022**

8/5/2022	Harold Lee	Bookkeeping/Prepared Bankruptcy Schedules	3 10	\$ 280.00	\$ 868.00
8/5/2022	Harold Lee	Preparing bankruptcy schedules	3 20	\$ 280.00	\$ 896.00
8/5/2022	Marc Schwartz	MANAGEMENT working on getting vendors lined up to pay, problems with getting copies of documents and contracts, communication with vendors re payments	1.00	\$ 690.00	\$ 690.00
8/5/2022	Marc Schwartz	Email out debit card app, attend to emails from Ray and RJ	0 10	\$ 690.00	\$ 69.00
8/5/2022	Marc Schwartz	Researching payments to counsel at request of K Lee	0 50	\$ 690.00	\$ 345.00
8/5/2022	Marc Schwartz	MANAGEMENT Moving funds into sub bank accounts and working on setting up and paying vendors, researching past due bills.	2.00	\$ 690.00	\$ 1,380.00
8/5/2022	Mary English	Configuring new accounting system for processing payments of FSS vendor and payroll accounts.	2.60	\$ 210.00	\$ 546.00
8/5/2022	Priya Salagundla	Internal status meeting; directions on projects;	2.60	\$ 325.00	\$ 845.00
8/5/2022	Priya Salagundla	updated daily depository schedule	0 20	\$ 325.00	\$ 65.00
8/5/2022	Priya Salagundla	Internal project status updates and directions	0 80	\$ 325.00	\$ 260.00
8/6/2022	Marc Schwartz	MANAGEMENT Review Axos bank activity	0 20	\$ 690.00	\$ 138.00
8/6/2022	Marc Schwartz	Reviewing application to employ CRO and FA	2 20	\$ 690.00	\$ 1,518.00
8/8/2022	Christian Schwartz	Read through production uploaded	1.40	\$ 470.00	\$ 658.00
8/8/2022	Christian Schwartz	FSS - Status Call	1.00	\$ 470.00	\$ 470.00
8/8/2022	Christian Schwartz	Review payroll information	1 20	\$ 470.00	\$ 564.00
8/8/2022	Christian Schwartz	Watch valuation testimony	1.00	\$ 470.00	\$ 470.00
8/8/2022	Christian Schwartz	Review trial production.	1.60	\$ 470.00	\$ 752.00
8/8/2022	Harold Lee	Prepared Bankruptcy Schedules, performed Bookkeeping	7.70	\$ 280.00	\$ 2,156.00
8/8/2022	Marc Schwartz	Management - reviewing bank balances (1) Cash Collateral Order and limits on payments (.6), advising vendors of same (.3), , pay bills (.5)	1.50	\$ 690.00	\$ 1,035.00
8/8/2022	Marc Schwartz	discussing payments with critical vendors	0.30	\$ 690.00	\$ 207.00
8/8/2022	Marc Schwartz	correspondence with processor on allowed payments to PQPR	0.20	\$ 690.00	\$ 138.00
8/8/2022	Marc Schwartz	Status meeting with counsel	1.00	\$ 690.00	\$ 690.00
8/8/2022	Marc Schwartz	reading draft of CRO declaration to application to employ CRO	0.70	\$ 690.00	\$ 483.00
8/8/2022	Marc Schwartz	call with A Jones and B Roddy	0.80	\$ 690.00	\$ 552.00
8/8/2022	Marc Schwartz	MANAGEMENT working on fulfillment back lot including calls with A Jones, and with B Roddy and P Reilly on fulfillment issue	1.00	\$ 690.00	\$ 690.00
8/8/2022	Marc Schwartz	Call with counsel on Conn litigation	1.00	\$ 690.00	\$ 690.00
8/8/2022	Marc Schwartz	Communication with Austin Security to agree on Critical Vendor treatment in the bankruptcy	0 30	\$ 690.00	\$ 207.00
8/8/2022	Marc Schwartz	Reviewing declaration to Application to Employ as CRO	0.40	\$ 690.00	\$ 276.00
8/8/2022	Mary English	Administration of FSS accounts payable and supporting evidence of Bankruptcy Cod Basis For Relief.?????	6.80	\$ 210.00	\$ 1,428.00
8/8/2022	Priya Salagundla	Checked and updated security bank of Crawford transactions;	5.40	\$ 325.00	\$ 1,755.00
8/8/2022	Priya Salagundla	Reviewed bankruptcy schedules checklist	0 20	\$ 325.00	\$ 65.00
8/8/2022	Priya Salagundla	Daily status call with attorneys	1.00	\$ 325.00	\$ 325.00
8/9/2022	Christian Schwartz	Process payroll	1.00	\$ 470.00	\$ 470.00
8/9/2022	Christian Schwartz	Review payroll documents	0.80	\$ 470.00	\$ 376.00
8/9/2022	Christian Schwartz	Meet with M Schwartz on engagement status and upcoming work schedule	1.00	\$ 470.00	\$ 470.00
8/9/2022	Christian Schwartz	Review staffs completed work product	2 50	\$ 470.00	\$ 1,175.00
8/9/2022	Christian Schwartz	Review financial statements	1 20	\$ 470.00	\$ 564.00
8/9/2022	Harold Lee	Bookkeeping	3 50	\$ 280.00	\$ 980.00
8/9/2022	Harold Lee	Bankruptcy Schedules	2 50	\$ 280.00	\$ 700.00
8/9/2022	Marc Schwartz	read daily settlement report	0 10	\$ 690.00	\$ 69.00
8/9/2022	Marc Schwartz	Call with counsel on status and strategy	1.00	\$ 690.00	\$ 690.00
8/9/2022	Marc Schwartz	Working on description of fulfillment underestimation	1.00	\$ 690.00	\$ 690.00
8/9/2022	Marc Schwartz	Work with Axos to send first payroll wire to ADP	0.70	\$ 690.00	\$ 483.00
8/9/2022	Marc Schwartz	Getting payroll wire released by Axos bank	1 10	\$ 690.00	\$ 759.00
8/9/2022	Marc Schwartz	Meet with C Schwartz on engagement status and next steps	1.00	\$ 690.00	\$ 690.00
8/9/2022	Marc Schwartz	Meeting with counsel to discuss next filings	1.00	\$ 690.00	\$ 690.00
8/9/2022	Mary English	Administration of FSS accounts payable	1 90	\$ 210.00	\$ 399.00
8/9/2022	Mary English	ADP training for FSS payroll	1.00	\$ 210.00	\$ 210.00
8/9/2022	Mary English	adjusting Cost of Lifting Stay budget	0 50	\$ 210.00	\$ 105.00
8/9/2022	Priya Salagundla	QB review	4.00	\$ 325.00	\$ 1,300.00
8/9/2022	Priya Salagundla	Review with staff status of their work	1.00	\$ 325.00	\$ 325.00
8/10/2022	Christian Schwartz	Calls with Counsel on status and strategy	1.00	\$ 470.00	\$ 470.00
8/10/2022	Christian Schwartz	Look at new benefits and PEO	2 50	\$ 470.00	\$ 1,175.00
8/10/2022	Christian Schwartz	Review bills and accounting procedures	1 50	\$ 470.00	\$ 705.00
8/10/2022	Christian Schwartz	Review Insurance options with Rep	3 50	\$ 470.00	\$ 1,645.00
8/10/2022	Harold Lee	Bookkeeping	3.00	\$ 280.00	\$ 840.00
8/10/2022	Harold Lee	Bankruptcy Schedules	1.40	\$ 280.00	\$ 392.00
8/10/2022	Marc Schwartz	address ADP post bankruptcy funding requirements	0 10	\$ 690.00	\$ 69.00
8/10/2022	Marc Schwartz	management Review banking activity.	0 30	\$ 690.00	\$ 207.00
8/10/2022	Marc Schwartz	Call with counsel on fulfillment solution	0.40	\$ 690.00	\$ 276.00

**FREE SPEECH SYSTEMS, LLC
SCHWARTZ ASSOCIATES, LLC
PROFESSIONAL FEES AND EXPENSES DETAIL
JULY 30 TO SEPTEMBER 19, 2022**

8/10/2022	Marc Schwartz	Status call with counsel	0.70	\$ 690.00	\$ 483.00
8/10/2022	Marc Schwartz	Working on Fulfillment situation summary	1.60	\$ 690.00	\$ 1,104.00
8/10/2022	Marc Schwartz	Reviewing drafts of motions to employ	1.10	\$ 690.00	\$ 759.00
8/10/2022	Marc Schwartz	Review applications to employ SLLLC and SALLC,	0.30	\$ 690.00	\$ 207.00
8/10/2022	Marc Schwartz	Research retainers and invoices on InfoWars and FSS for disclosure in FSS	0.50	\$ 690.00	\$ 345.00
8/10/2022	Mary English	Application to Employ			
8/10/2022	Mary English	Administration of FSS accounts payable (2), communication with ADP for payroll fees (.4), and AP preparation of weekly AP disbursements (3.7).	6.10	\$ 210.00	\$ 1,281.00
8/10/2022	Priya Salagundla	Quickbooks review	1.70	\$ 325.00	\$ 552.50
8/10/2022	Priya Salagundla	Internal project status updates with staff	1.10	\$ 325.00	\$ 357.50
8/10/2022	Priya Salagundla	cash collateral review, variance report review	2.80	\$ 325.00	\$ 910.00
8/11/2022	Christian Schwartz	Review CT budget	0.70	\$ 470.00	\$ 329.00
8/11/2022	Christian Schwartz	Review payroll reports	2.30	\$ 470.00	\$ 1,081.00
8/11/2022	Christian Schwartz	Daily call with Attorneys on strategy and status	1.00	\$ 470.00	\$ 470.00
8/11/2022	Harold Lee	Bookkeeping	3.50	\$ 280.00	\$ 980.00
8/11/2022	Harold Lee	updated cash budget	3.20	\$ 280.00	\$ 896.00
8/11/2022	Marc Schwartz	work on list of key employees and review new accounting procedures vis a vis processing invoices	0.20	\$ 690.00	\$ 138.00
8/11/2022	Marc Schwartz	Calls with counsel on fulfillment issue and getting concurrence of parties	0.50	\$ 690.00	\$ 345.00
8/11/2022	Marc Schwartz	Working on emergency motion addressing fulfillment payment change, email to A Jones on same	1.00	\$ 690.00	\$ 690.00
8/11/2022	Marc Schwartz	Status meeting on strategy with counsel	1.00	\$ 690.00	\$ 690.00
8/11/2022	Marc Schwartz	Getting Mary set up to handle mobile deposits, endorse checks for mobile deposit, order endorsement stamp	0.70	\$ 690.00	\$ 483.00
8/11/2022	Marc Schwartz	call with attorneys in re UST and Sub v trustee positions,	0.50	\$ 690.00	\$ 345.00
8/11/2022	Marc Schwartz	Read Patrick Reilly witness outline	0.20	\$ 690.00	\$ 138.00
8/11/2022	Marc Schwartz	Call with R Battaglia (.2) and then A Jones on alternative to request for withholding from sales proceeds estimated cost of order fulfillment (.4)	0.60	\$ 690.00	\$ 414.00
8/11/2022	Mary English	Accounting services for past due FSS vendor invoices, .	1.00	\$ 210.00	\$ 210.00
8/11/2022	Mary English	discussions with Jeffrey Shulse in relation to donations and orders(1), mobile deposits of checks (3)	4.00	\$ 210.00	\$ 840.00
8/11/2022	Priya Salagundla	QB and A/P entry review	2.90	\$ 325.00	\$ 942.50
8/11/2022	Priya Salagundla	Work on project directions to manage staff assignments	1.00	\$ 325.00	\$ 325.00
8/11/2022	Priya Salagundla	AXOS bank setup,	0.80	\$ 325.00	\$ 260.00
8/11/2022	Priya Salagundla	Daily status call on strategy with counsel	1.30	\$ 325.00	\$ 422.50
8/12/2022	Christian Schwartz	Listen to BK hearing	4.40	\$ 470.00	\$ 2,068.00
8/12/2022	Harold Lee	Bookkeeping	2.50	\$ 280.00	\$ 700.00
8/12/2022	Harold Lee	prepared schedules for M Schwartz	2.00	\$ 280.00	\$ 560.00
8/12/2022	Marc Schwartz	Management - Work on accounts payable, pay bills	1.10	\$ 690.00	\$ 759.00
8/12/2022	Marc Schwartz	Preparing for hearing including reading witness outlines, motions in opposition	1.70	\$ 690.00	\$ 1,173.00
8/12/2022	Marc Schwartz	Attend hearing and testify	4.30	\$ 690.00	\$ 2,967.00
8/12/2022	Marc Schwartz	Pay bills	0.50	\$ 690.00	\$ 345.00
8/12/2022	Priya Salagundla	Priya Salagundla: QB review,	3.60	\$ 325.00	\$ 1,170.00
8/12/2022	Priya Salagundla	project status updates with staff and provide them directions			\$ -
8/12/2022	Priya Salagundla	Cash management letter to K Lee;	2.00	\$ 325.00	\$ 650.00
8/12/2022	Priya Salagundla	A/P review	1.60	\$ 325.00	\$ 520.00
8/14/2022	Marc Schwartz	Research retail ecommerce fulfillment consultants	1.20	\$ 690.00	\$ 828.00
8/15/2022	Alex Taylor	Docket Updates	0.10	\$ 150.00	\$ 15.00
8/15/2022	Alex Taylor	Review additional listing of potential conflict relationships and cross reference to list received prior to engagement and to Firm client files	0.30	\$ 150.00	\$ 45.00
8/15/2022	Christian Schwartz	Review pleadings	0.80	\$ 470.00	\$ 376.00
8/15/2022	Christian Schwartz	Call potential expert and explain case	0.70	\$ 470.00	\$ 329.00
8/15/2022	Christian Schwartz	Research experts for case	1.00	\$ 470.00	\$ 470.00
8/15/2022	Harold Lee	Prepared Bankruptcy Schedules, Bookkeeping	3.90	\$ 280.00	\$ 1,092.00
8/15/2022	Marc Schwartz	Daily status call with counsel	0.80	\$ 690.00	\$ 552.00
8/15/2022	Marc Schwartz	Recording upcoming hearings, due dates and depositions	0.30	\$ 690.00	\$ 207.00
8/15/2022	Marc Schwartz	Researching 3PL consultants and industry	1.20	\$ 690.00	\$ 828.00
8/15/2022	Mary English	Administration of FSS accounts payable, and online banking deposit management.	6.50	\$ 210.00	\$ 1,365.00
8/15/2022	Priya Salagundla	Internal status review and discussions with staff	1.10	\$ 325.00	\$ 357.50
8/15/2022	Priya Salagundla	Accounting related discussions with M English and follow-up with her on projects status	1.70	\$ 325.00	\$ 552.50
8/15/2022	Priya Salagundla	Meeting with M English on accounting related questions	0.50	\$ 325.00	\$ 162.50
8/15/2022	Priya Salagundla	Review and Analysis of variance report	1.30	\$ 325.00	\$ 422.50
8/16/2022	Alex Taylor	Travel for Dr. Michels	2.00	\$ 150.00	\$ 300.00
8/16/2022	Alex Taylor	Review additional listing of potential conflict relationships and cross reference to list received prior to engagement and to Firm client files	0.60	\$ 150.00	\$ 90.00
8/16/2022	Christian Schwartz	Call with expert and attorneys	1.30	\$ 470.00	\$ 611.00

**FREE SPEECH SYSTEMS, LLC
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8/16/2022	Christian Schwartz	Daily call with counsel on status and strategy	0.50	\$ 470.00	\$ 235.00
8/16/2022	Christian Schwartz	Communicate with staff on status of engagement	0.20	\$ 470.00	\$ 94.00
8/16/2022	Harold Lee	Bookkeeping	1.20	\$ 280.00	\$ 336.00
8/16/2022	Marc Schwartz	Zoom interview with Joseph Michels	1.00	\$ 690.00	\$ 690.00
8/16/2022	Marc Schwartz	Status call with counsel	1.20	\$ 690.00	\$ 828.00
8/16/2022	Marc Schwartz	Call with B Roddy and P Riley on BAL and FSS WMS integrations, impact of back orders and preorders, expected savings from integration	2.00	\$ 690.00	\$ 1,380.00
8/16/2022	Marc Schwartz	Working on revised cash flow budget	2.60	\$ 690.00	\$ 1,794.00
8/16/2022	Marc Schwartz	Review and okay weekly cash flow variance report	0.20	\$ 690.00	\$ 138.00
8/16/2022	Mary English	Administration of FSS accounts payable, and online banking deposit management.	2.40	\$ 210.00	\$ 504.00
8/16/2022	Mary English	Research of Travis County records for inventory of appraised property.	0.20	\$ 210.00	\$ 42.00
8/16/2022	Priya Salagundla	QB review of entries, Financial statements and A/P	3.70	\$ 325.00	\$ 1,202.50
8/16/2022	Priya Salagundla	internal project updates with staff and provide directions	2.00	\$ 325.00	\$ 650.00
8/16/2022	Priya Salagundla	Follow-ups on bankruptcy schedules; information requests	1.10	\$ 325.00	\$ 357.50
8/17/2022	Christian Schwartz	Call with ADP	1.00	\$ 470.00	\$ 470.00
8/17/2022	Christian Schwartz	Call with counsel on status and strategy	1.30	\$ 470.00	\$ 611.00
8/17/2022	Christian Schwartz	Review Medical Insurance documents	3.00	\$ 280.00	\$ 840.00
8/17/2022	Harold Lee	Prepared Cash Budget	5.00	\$ 280.00	\$ 1,400.00
8/17/2022	Harold Lee	Bookkeeping service	0.20	\$ 690.00	\$ 138.00
8/17/2022	Marc Schwartz	Review application to employ Battaglia	0.30	\$ 690.00	\$ 207.00
8/17/2022	Marc Schwartz	Work on cash collateral budget	0.40	\$ 690.00	\$ 276.00
8/17/2022	Marc Schwartz	Review bank activity	0.70	\$ 690.00	\$ 483.00
8/17/2022	Marc Schwartz	Daily status call	0.50	\$ 690.00	\$ 345.00
8/17/2022	Marc Schwartz	Review Michels engagement agreement, send to RJ Shannon with questions, send revised redline to Michels, receive back, review, sign and send to Michels and RJ Shannon	0.10	\$ 690.00	\$ 69.00
8/17/2022	Marc Schwartz	Ask H Lee to reconcile cash collateral budget revenue to that reported in general ledger	0.60	\$ 690.00	\$ 414.00
8/17/2022	Mary English	Reading current draft of lift stay response	8.20	\$ 210.00	\$ 1,722.00
8/17/2022	Mary English	Accounting service in preparation of FSS weekly Accounts Payable distribution of funds (6) and review of documents provided by the Austin office's accounting department (2 2)	3.00	\$ 325.00	\$ 975.00
8/17/2022	Priya Salagundla	Meeting with J Shulze related to Bankruptcy Schedules	2.20	\$ 325.00	\$ 715.00
8/17/2022	Priya Salagundla	Gathered information and follow-ups on bankruptcy schedules	1.20	\$ 325.00	\$ 390.00
8/17/2022	Priya Salagundla	A/P review	0.10	\$ 150.00	\$ 15.00
8/18/2022	Alex Taylor	Docket Report	0.60	\$ 150.00	\$ 90.00
8/18/2022	Alex Taylor	J. Michels Travel	1.00	\$ 470.00	\$ 470.00
8/18/2022	Christian Schwartz	Daily call with Counsel	1.00	\$ 470.00	\$ 470.00
8/18/2022	Christian Schwartz	Review medical insurance with insurance broker	1.00	\$ 470.00	\$ 470.00
8/18/2022	Christian Schwartz	Conference to Discuss Expert Witness Issues with Christopher Brophy	1.00	\$ 470.00	\$ 470.00
8/18/2022	Christian Schwartz	Conference with N Pattis to Discuss Connecticut Trial Needs	5.00	\$ 280.00	\$ 1,400.00
8/18/2022	Harold Lee	Performed bookkeeping	0.70	\$ 280.00	\$ 196.00
8/18/2022	Harold Lee	prepared Bankruptcy Schedules	0.20	\$ 690.00	\$ 138.00
8/18/2022	Marc Schwartz	Pay J Michels retainer	1.10	\$ 690.00	\$ 759.00
8/18/2022	Marc Schwartz	Call with K Lee, R Battaglia, S Jordan, R Shannon and N Pattis	0.50	\$ 690.00	\$ 345.00
8/18/2022	Marc Schwartz	Call with prospective witness	2.00	\$ 690.00	\$ 1,380.00
8/18/2022	Marc Schwartz	Daily status call	1.00	\$ 690.00	\$ 690.00
8/18/2022	Marc Schwartz	Review Conn trial budget and amend, give changes to P Salagundla to be made to reflect expected actual witness days	0.20	\$ 690.00	\$ 138.00
8/18/2022	Marc Schwartz	Go over May 15, '22 inventory purchase from Hi- Tech Pharma with P Salagundla	0.30	\$ 690.00	\$ 207.00
8/18/2022	Marc Schwartz	Review bills to be paid with P Salagundla	6.30	\$ 210.00	\$ 1,323.00
8/18/2022	Mary English	Accounting services in preparation of FSS weekly Accounts Payable distribution of funds.	3.20	\$ 325.00	\$ 1,040.00
8/18/2022	Priya Salagundla	Staff information requests and follow-ups on bankruptcy schedules and QB review	0.90	\$ 325.00	\$ 292.50
8/18/2022	Priya Salagundla	Status meeting	2.00	\$ 325.00	\$ 650.00
8/18/2022	Priya Salagundla	A/P for the week review	0.20	\$ 150.00	\$ 30.00
8/19/2022	Alex Taylor	Docket Report	0.50	\$ 470.00	\$ 235.00
8/19/2022	Christian Schwartz	Call concerning ADP	1.00	\$ 470.00	\$ 470.00
8/19/2022	Christian Schwartz	Daily status and strategy call with Counsel	2.70	\$ 280.00	\$ 756.00
8/19/2022	Harold Lee	prepared Bankruptcy Schedules	4.00	\$ 280.00	\$ 1,120.00
8/19/2022	Harold Lee	Bookkeeping Services	2.50	\$ 690.00	\$ 1,725.00
8/19/2022	Marc Schwartz	RT travel time to Austin, 5 hours, billed 2.5	0.50	\$ 690.00	\$ 345.00
8/19/2022	Marc Schwartz	Meet with J Michels prior to meeting with Blue Ascension	4.00	\$ 690.00	\$ 2,760.00
8/19/2022	Marc Schwartz	Meeting with J Michels, P Riley and B Roddy to analyze fulfillment operation at Blue Ascension	1.00	\$ 690.00	\$ 690.00
8/19/2022	Marc Schwartz	Daily status conference			

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8/19/2022	Mary English	Accounting services in preparation of FSS weekly Accounts Payable distribution of funds (3) and communication with vendors (.3).	3 30	\$ 210.00	\$ 693.00
8/19/2022	Priya Salagundla	Reviewed A/P (2), followup with vendors for invoices and payment information (3), schedule payment of AP in Axos (2.5)	7 50	\$ 325.00	\$ 2,437.50
8/20/2022	Marc Schwartz	Read and respond to emails on Conn counsel not wanting to file application in BR court .3,	0 30	\$ 690.00	\$ 207.00
8/20/2022	Marc Schwartz	proposed 2nd interim cash collateral order .2	0 20	\$ 690.00	\$ 138.00
8/20/2022	Marc Schwartz	Call with A Jones on stay, inventory balances and funding/budget	0 40	\$ 690.00	\$ 276.00
8/20/2022	Marc Schwartz	Calls with N Pattis, K Lee and R Battaglia on N Pattis engagement by FSS	0 50	\$ 690.00	\$ 345.00
8/20/2022	Marc Schwartz	Working on 2nd Interim Budget including calculating inventory acquisition	1 00	\$ 690.00	\$ 690.00
8/20/2022	Marc Schwartz	Plaintiff redlined cash collateral order	0 10	\$ 690.00	\$ 69.00
8/20/2022	Marc Schwartz	Review applications to employ SALLC, Shannon Lee, and R W Battaglia	0 40	\$ 690.00	\$ 276.00
8/21/2022	Marc Schwartz	Call with R Battaglia, K Lee, S Jordan, RJ Shannon	0 50	\$ 690.00	\$ 345.00
8/21/2022	Marc Schwartz	Strategy meeting with counsel, A Jones and J Shulse	1 50	\$ 690.00	\$ 1,035.00
8/21/2022	Marc Schwartz	Pay bills	0 30	\$ 690.00	\$ 207.00
8/22/2022	Alex Taylor	Docket Report	0 30	\$ 150.00	\$ 45.00
8/22/2022	Alex Taylor	Flight changes for Dr. Joe Michels	0 70	\$ 150.00	\$ 105.00
8/22/2022	Christian Schwartz	Daily Status Call	1 00	\$ 470.00	\$ 470.00
8/22/2022	Christian Schwartz	Review schedules and pleadings	2 40	\$ 470.00	\$ 1,128.00
8/22/2022	Harold Lee	Performed Bookkeeping	4 00	\$ 280.00	\$ 1,120.00
8/22/2022	Harold Lee	prepared Bankruptcy Schedules	4 50	\$ 280.00	\$ 1,260.00
8/22/2022	Marc Schwartz	Pattis Smith engagement letter review	0 40	\$ 690.00	\$ 276.00
8/22/2022	Marc Schwartz	Call with N Pattis, R Battaglia, RJ Shannon and K Lee on Pattis engagement letter and application to employ	0 50	\$ 690.00	\$ 345.00
8/22/2022	Marc Schwartz	Arrange to pay for registration of FSS truck	0 20	\$ 690.00	\$ 138.00
8/22/2022	Marc Schwartz	Reading draft of Andino Application to Employ and Engagement letter	0 60	\$ 690.00	\$ 414.00
8/22/2022	Marc Schwartz	call with K Lee, RJ Shannon and A Freynal on Freynal engagement letter and application to employ	0 50	\$ 690.00	\$ 345.00
8/22/2022	Marc Schwartz	Call with A Jones and S Rodgers on Infowars Platinum consignment deal and send email to counsel on same	0 60	\$ 690.00	\$ 414.00
8/22/2022	Marc Schwartz	Read draft of 2nd Interim Cash Collateral Order	0 30	\$ 690.00	\$ 207.00
8/22/2022	Marc Schwartz	Continue paying bills	0 10	\$ 690.00	\$ 69.00
8/22/2022	Mary English	Accounting services in preparation of FSS weekly Accounts Payable distribution of funds.	7 80	\$ 210.00	\$ 1,638.00
8/22/2022	Priya Salagundla	Internal project status updates and directions	0 50	\$ 325.00	\$ 162.50
8/22/2022	Priya Salagundla	Reviewed Vendors and critical vendors and payment details	2 40	\$ 325.00	\$ 780.00
8/22/2022	Priya Salagundla	Bankruptcy schedules information request and followups	2 10	\$ 325.00	\$ 682.50
8/23/2022	Alex Taylor	Docket Report	0 10	\$ 150.00	\$ 15.00
8/23/2022	Christian Schwartz	Review bk schedules	1 30	\$ 470.00	\$ 611.00
8/23/2022	Christian Schwartz	FSS - Daily Status Call	1 00	\$ 470.00	\$ 470.00
8/23/2022	Marc Schwartz	Pay bills and payroll	0 70	\$ 690.00	\$ 483.00
8/23/2022	Marc Schwartz	Status call	0 80	\$ 690.00	\$ 552.00
8/23/2022	Marc Schwartz	Changes to 2nd interim budget	0 20	\$ 690.00	\$ 138.00
8/23/2022	Marc Schwartz	Prepare budget variance report	0 90	\$ 690.00	\$ 621.00
8/23/2022	Marc Schwartz	Review draft of filings and order	0 50	\$ 690.00	\$ 345.00
8/23/2022	Marc Schwartz	call with counsel on preparations for hearing tomorrow on Continued Cash Collateral	1 80	\$ 690.00	\$ 1,242.00
8/23/2022	Marc Schwartz	negotiations with plaintiffs' counsel, R Chapelle, on Continued Cash Collateral Motion	0 50	\$ 690.00	\$ 345.00
8/23/2022	Mary English	Assisting S Schwartz on FSS accounting procedures and updating vendor accounts	8 10	\$ 210.00	\$ 1,701.00
8/23/2022	Priya Salagundla	Internal project direction with staff	0 70	\$ 325.00	\$ 227.50
8/23/2022	Priya Salagundla	QB review	5 00	\$ 325.00	\$ 1,625.00
8/23/2022	Priya Salagundla	Variance and Aurium report review	2 00	\$ 325.00	\$ 650.00
8/23/2022	Susan Schwartz	Checked accounting email for new invoices and new vendors and updated accounts payable in QuickBooks and vendor information.	6 00	\$ 150.00	\$ 900.00
8/24/2022	Christian Schwartz	Review financials and schedules.	1 50	\$ 470.00	\$ 705.00
8/24/2022	Christian Schwartz	Daily status call	1 00	\$ 470.00	\$ 470.00
8/24/2022	Christian Schwartz	Counsel Call	1 00	\$ 470.00	\$ 470.00
8/24/2022	Harold Lee	Performed bookkeeping services(4) and prepared bankruptcy schedules (3.6)	7 60	\$ 280.00	\$ 2,128.00
8/24/2022	Marc Schwartz	Meet with K Lee to prepare for hearing	0 40	\$ 690.00	\$ 276.00
8/24/2022	Marc Schwartz	Attend hearing on cash collateral and motion to lift stay	1 20	\$ 690.00	\$ 828.00
8/24/2022	Marc Schwartz	analyzing funds available to purchase inventory, through end of cash budget	1 00	\$ 690.00	\$ 690.00
8/24/2022	Marc Schwartz	research legal bills in 2021 QB	0 20	\$ 690.00	\$ 138.00
8/24/2022	Marc Schwartz	Call with R Battaglia, K Lee and J Shulse on Alex consignment inventory, FSS legal bills	1 20	\$ 690.00	\$ 828.00

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8/24/2022	Priya Salagundla	QB review;	5.80	\$ 325.00	\$ 1,885.00
8/24/2022	Priya Salagundla	follow up emails related to bankruptcy schedules			\$ -
8/25/2022	Christian Schwartz	Daily call with counsel on status and strategy	1.00	\$ 470.00	\$ 470.00
8/25/2022	Christian Schwartz	Review pleadings and stop drafts	1.30	\$ 470.00	\$ 611.00
8/25/2022	Harold Lee	Bookkeeping (6) and prepared bankruptcy schedule (3,4)	9.40	\$ 280.00	\$ 2,632.00
8/25/2022	Marc Schwartz	Working on inventory issues related to InfoWars Platinum products and X7 order, reviewing POs and invoices.	0.40	\$ 690.00	\$ 276.00
8/25/2022	Marc Schwartz	FSS - Daily Status Call	0.80	\$ 690.00	\$ 552.00
8/25/2022	Marc Schwartz	Review Initial Debtor Report form, email to Dr. Jones and J Shulze for insurance policy information	0.40	\$ 690.00	\$ 276.00
8/25/2022	Marc Schwartz	Call with Dr. Jones to obtain more information on X7 inventory and when in stock.	0.40	\$ 690.00	\$ 276.00
8/25/2022	Marc Schwartz	Download and cash collateral orders	0.20	\$ 690.00	\$ 138.00
8/25/2022	Marc Schwartz	Working on Initial Debtor Report	1.50	\$ 690.00	\$ 1,035.00
8/25/2022	Marc Schwartz	Reading draft of interim application motion	0.30	\$ 690.00	\$ 207.00
8/25/2022	Marc Schwartz	Locating emails and combining into one folder for production review	2.00	\$ 690.00	\$ 1,380.00
8/25/2022	Marc Schwartz	Calls with A Jones and D Jones on Infowars Platinum product purchase and financing inventory purchases	0.60	\$ 690.00	\$ 414.00
8/25/2022	Marc Schwartz	Review changes to Initial Debtor report, call to K Lee to set up his review of report	0.40	\$ 690.00	\$ 276.00
8/25/2022	Mary English	Accounting services in preparation of FSS weekly Accounts Payable distribution of funds.	7.10	\$ 210.00	\$ 1,491.00
8/25/2022	Priya Salagundla	Accounts Payable review	1.70	\$ 325.00	\$ 552.50
8/25/2022	Priya Salagundla	Bankruptcy Schedules review	3.50	\$ 325.00	\$ 1,137.50
8/25/2022	Priya Salagundla	Project status updates and directions (1); bank activity review (.8)	1.80	\$ 325.00	\$ 585.00
8/25/2022	Susan Schwartz	Checked accounting email for new invoices and new vendors and updated accounts payable in QuickBooks and vendor information.	1.00	\$ 150.00	\$ 150.00
8/26/2022	Alex Taylor	Docket Report	0.20	\$ 150.00	\$ 30.00
8/26/2022	Christian Schwartz	Phone calls with Ally Bank on repossessed vehicle	5.90	\$ 470.00	\$ 2,773.00
8/26/2022	Harold Lee	Bookkeeping and prepared Bankruptcy Schedules	9.00	\$ 280.00	\$ 2,520.00
8/26/2022	Marc Schwartz	Review schedules and SOFA	1.30	\$ 690.00	\$ 897.00
8/26/2022	Marc Schwartz	Daily status call	0.60	\$ 690.00	\$ 414.00
8/26/2022	Marc Schwartz	Call with J Shulze on IDR and Schedules data needed, overpayment of payroll	0.30	\$ 690.00	\$ 207.00
8/26/2022	Marc Schwartz	Calls (3) from A Jones	0.20	\$ 690.00	\$ 138.00
8/26/2022	Marc Schwartz	Work on repossessed truck	0.50	\$ 690.00	\$ 345.00
8/26/2022	Marc Schwartz	Work on ID report and schedules with K Lee and H Lee	1.00	\$ 690.00	\$ 690.00
8/26/2022	Marc Schwartz	Sign I D report and email to H Lee	0.20	\$ 690.00	\$ 138.00
8/26/2022	Marc Schwartz	Pay bills	0.60	\$ 690.00	\$ 414.00
8/26/2022	Mary English	Accounting services in preparation of FSS weekly Accounts Payable distribution of funds and communication with vendors.	8.20	\$ 210.00	\$ 1,722.00
8/26/2022	Priya Salagundla	QB and bankruptcy schedules review	6.50	\$ 325.00	\$ 2,112.50
8/27/2022	Marc Schwartz	Reading draft of response to Conn Plaintiffs motion, also case sent by K Lee	0.30	\$ 690.00	\$ 207.00
8/27/2022	Marc Schwartz	Work on response to plaintiffs production request	3.00	\$ 690.00	\$ 2,070.00
8/27/2022	Marc Schwartz	Call to discuss status of negotiations	1.00	\$ 690.00	\$ 690.00
8/27/2022	Marc Schwartz	Call with Sub v trustee	0.20	\$ 690.00	\$ 138.00
8/28/2022	Marc Schwartz	Debtor's response to Motion to Correct Motion to Appoint a Tort Committee and remove DIP	0.30	\$ 690.00	\$ 207.00
8/28/2022	Marc Schwartz	Reading UST ch 11 and sub v instructions	0.30	\$ 690.00	\$ 207.00
8/28/2022	Marc Schwartz	Upload files to Dropbox and share with R Battaglia	0.40	\$ 690.00	\$ 276.00
8/28/2022	Marc Schwartz	work on Production from QB ledgers	3.20	\$ 690.00	\$ 2,208.00
8/28/2022	Marc Schwartz	Zoom with S Lemmon and K Lee to review PQPR balance sheet as of 8/26/2022	0.20	\$ 690.00	\$ 138.00
8/29/2022	Alex Taylor	Docket Report	0.10	\$ 150.00	\$ 15.00
8/29/2022	Christian Schwartz	Read through DIP guidelines. .2 Respond to emails .4	0.60	\$ 470.00	\$ 282.00
8/29/2022	Christian Schwartz	Read through financial information as of this morning .9	0.90	\$ 470.00	\$ 423.00
8/29/2022	Christian Schwartz	Call Ally re: releasing repossessed Tahoe	2.50	\$ 470.00	\$ 1,175.00
8/29/2022	Christian Schwartz	Call with Insurance Broker	1.00	\$ 470.00	\$ 470.00
8/29/2022	Christian Schwartz	Daily Status call	1.00	\$ 470.00	\$ 470.00
8/29/2022	Marc Schwartz	Working on Schedules and SOFA	1.00	\$ 690.00	\$ 690.00
8/29/2022	Marc Schwartz	Status conference with counsel	0.60	\$ 690.00	\$ 414.00
8/29/2022	Marc Schwartz	Attend hearing on Motion to Lift Stay, Employment of state court counsel	0.80	\$ 690.00	\$ 552.00
8/29/2022	Marc Schwartz	Work on Schedules with K Lee and RJ Shannon	1.00	\$ 690.00	\$ 690.00
8/29/2022	Marc Schwartz	Management, address Google Wire cutoff and internet bills not paid.	0.50	\$ 690.00	\$ 345.00
8/29/2022	Marc Schwartz	Review Initial Debtor Report in preparation for meeting tomorrow	0.50	\$ 690.00	\$ 345.00

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8/29/2022	Mary English	Accounting services in preparation of FSS weekly Accounts Payable distribution of funds (5) , attention to Accounting and Melinda Flores' relevant emails received, (2) and communication with vendors(.7).	7.70	\$ 210.00	\$ 1,617.00
8/29/2022	Priya Salagundla	Vendor follow-ups (4); Updated QB(2) Directions to M English (.9)	6.90	\$ 325.00	\$ 2,242.50
8/30/2022	Christian Schwartz	Read and respond to counsel communication	0.80	\$ 470.00	\$ 376.00
8/30/2022	Marc Schwartz	Meeting with K Lee to review for IDI	0.70	\$ 690.00	\$ 483.00
8/30/2022	Marc Schwartz	Attend Initial Debtor Interview	1.00	\$ 690.00	\$ 690.00
8/30/2022	Marc Schwartz	Daily status call with counsel	0.80	\$ 690.00	\$ 552.00
8/30/2022	Marc Schwartz	Pull accounting for professional fees funded through trust account	0.70	\$ 690.00	\$ 483.00
8/30/2022	Marc Schwartz	Review and edit Variance and Use of Cash	0.40	\$ 690.00	\$ 276.00
8/30/2022	Mary English	Accounting services in preparation of FSS weekly Accounts Payable distribution of funds (4.5), attention to Accounting and Melinda Flores' relevant emails received (2), and communication with vendors (1.1).	7.60	\$ 210.00	\$ 1,596.00
8/30/2022	Priya Salagundla	Call with Ben and Chris Andrews related to vendor logins	0.80	\$ 325.00	\$ 260.00
8/30/2022	Priya Salagundla	Vendor followups and Ally payment followup with J Shulse	0.80	\$ 325.00	\$ 260.00
8/30/2022	Priya Salagundla	Updated QB(5) prepared variance and Aurium reports (1)	6.00	\$ 325.00	\$ 1,950.00
8/31/2022	Alex Taylor	Docket Report	0.20	\$ 150.00	\$ 30.00
8/31/2022	Marc Schwartz	Meeting with A Jones, B Roddy, A Gucciardi and T Fruge to discuss credit card processors and inventory purchases	2.50	\$ 690.00	\$ 1,725.00
8/31/2022	Marc Schwartz	Meeting with A Jones and J Dalessio to discuss COO position	1.00	\$ 690.00	\$ 690.00
8/31/2022	Marc Schwartz	Daily status meeting	0.80	\$ 690.00	\$ 552.00
8/31/2022	Marc Schwartz	Review cash receipts and vendor invoices received in accounting office	0.50	\$ 690.00	\$ 345.00
8/31/2022	Marc Schwartz	RT travel time to FSS offices in Austin, billed one half of the combined 5 hours in order to bring total charged to same as at 50% of billing rate	2.50	\$ 690.00	\$ 1,725.00
8/31/2022	Marc Schwartz	Review draft of Martin Disere engagement letter	0.40	\$ 690.00	\$ 276.00
8/31/2022	Marc Schwartz	Reading analyses of possible actions by debtor in response to PQPr motion to charge the Sub v trustee with investigating debtor	0.60	\$ 690.00	\$ 414.00
8/31/2022	Mary English	Accounting services in preparation of FSS weekly Accounts Payable distribution of funds, management of Accounting and Melinda Flores' relevant emails received, and communication with vendors.	5.10	\$ 210.00	\$ 1,071.00
8/31/2022	Priya Salagundla	QB review	1.60	\$ 325.00	\$ 520.00
8/31/2022	Priya Salagundla	A/P and Vendor followups with M English	1.20	\$ 325.00	\$ 390.00
8/31/2022	Priya Salagundla	Updated Quick Books	2.60	\$ 325.00	\$ 845.00
8/31/2022	Susan Schwartz	Travel to and from Austin billed at 1/2 time	2.50	\$ 150.00	\$ 375.00
8/31/2022	Susan Schwartz	Opened mail and checks in the Austin office checking for unpaid invoices to update in Quick Books (3). Checked the accounting email account for unpaid invoice entries (2)	5.00	\$ 150.00	\$ 750.00
9/1/2022	Alex Taylor	Review docket for new entries and advise M Schwartz of nature of new entries	0.10	\$ 150.00	\$ 15.00
9/1/2022	Alex Taylor	Calling prospective bookkeeper in Austin to determine availability at request of M Schwartz	0.30	\$ 150.00	\$ 45.00
9/1/2022	Alex Taylor	Reconciling vendor list with AMEX	2.90	\$ 150.00	\$ 435.00
9/1/2022	Marc Schwartz	Sending emails to R Battaglia	1.00	\$ 690.00	\$ 690.00
9/1/2022	Marc Schwartz	Status call	0.80	\$ 690.00	\$ 552.00
9/1/2022	Marc Schwartz	Call with T Enlow and order debit card for T Enlow use	0.20	\$ 690.00	\$ 138.00
9/1/2022	Marc Schwartz	Sending emails to R Battaglia to review for production	2.50	\$ 690.00	\$ 1,725.00
9/1/2022	Mary English	Accounting services in preparation of FSS weekly Accounts Payable distribution of funds.	2.50	\$ 210.00	\$ 525.00
9/1/2022	Priya Salagundla	Reviewed Accounts Payables and paid bills	5.50	\$ 325.00	\$ 1,787.50
9/1/2022	Susan Schwartz	Systematically check all of the accounting emails for unpaid accounts payable to input into QuickBooks	2.00	\$ 150.00	\$ 300.00
9/2/2022	Alex Taylor	Docket Report & FSS Accounting / Bookkeeping Meeting	0.40	\$ 150.00	\$ 60.00
9/2/2022	Alex Taylor	Vendor List Cross Reference	1.00	\$ 150.00	\$ 150.00
9/2/2022	Alex Taylor	Authorize.net	0.60	\$ 150.00	\$ 90.00
9/2/2022	Alex Taylor	AP	2.20	\$ 150.00	\$ 330.00
9/2/2022	Alex Taylor	Call with D Whitehair to go over employment	1.20	\$ 150.00	\$ 180.00
9/2/2022	Marc Schwartz	Call with C Cicack on inventory and cost issues	0.40	\$ 690.00	\$ 276.00
9/2/2022	Marc Schwartz	Status meeting	0.60	\$ 690.00	\$ 414.00
9/2/2022	Marc Schwartz	Working on debit card problem	1.50	\$ 690.00	\$ 1,035.00
9/2/2022	Marc Schwartz	Hiring Dani Whitehair part time bookkeeper for FSS in Austin	0.50	\$ 690.00	\$ 345.00
9/2/2022	Mary English	Travel to meet with J Shulse (1 hr, 1/2 billed)	0.50	\$ 210.00	\$ 105.00
9/2/2022	Mary English	meeting with J Shulse to discuss documents returned from Austin and new procedures	2.00	\$ 210.00	\$ 420.00
9/2/2022	Mary English	updating vendor forms of payment for weekly AP disbursements	3.00	\$ 210.00	\$ 630.00
9/2/2022	Priya Salagundla	Bill payments and vendor payment information	8.50	\$ 325.00	\$ 2,762.50
9/2/2022	Susan Schwartz	Working on updating Quick Books with the accounting emails on unpaid invoices	4.00	\$ 150.00	\$ 600.00
9/3/2022	Marc Schwartz	Work on Cicack draft term sheet	1.00	\$ 690.00	\$ 690.00
9/3/2022	Marc Schwartz	reading cases sent by K Lee on disposable income for Sub v plan	1.00	\$ 690.00	\$ 690.00

**FREE SPEECH SYSTEMS, LLC
SCHWARTZ ASSOCIATES, LLC
PROFESSIONAL FEES AND EXPENSES DETAIL
JULY 30 TO SEPTEMBER 19, 2022**

9/3/2022	Marc Schwartz	Call with S Jordan and K Lee on possible consignment deal	0.40	\$ 690.00	\$ 276.00
9/3/2022	Marc Schwartz	Continue reading cases on disposable income	0.30	\$ 690.00	\$ 207.00
9/3/2022	Marc Schwartz	QB reports for C Cicack	0.60	\$ 690.00	\$ 414.00
9/3/2022	Marc Schwartz	Updating calendar and work on timing of C Cicack visit.	0.20	\$ 690.00	\$ 138.00
9/5/2022	Christian Schwartz	Review financials (.7), review budget and projections(1.8) Meet with benefits rep (1.5)	4.00	\$ 470.00	\$ 1,880.00
9/5/2022	Marc Schwartz	Pulling QB data on equity contributions and draws	1.00	\$ 690.00	\$ 690.00
9/5/2022	Susan Schwartz	Checked accounting email for new invoices and new vendors and updated accounts payable in QuickBooks and vendor information.	1.00	\$ 150.00	\$ 150.00
9/6/2022	Christian Schwartz	Status Call	1.00	\$ 470.00	\$ 470.00
9/6/2022	Marc Schwartz	Pay bills	0.60	\$ 690.00	\$ 414.00
9/6/2022	Marc Schwartz	Daily status meeting	0.80	\$ 690.00	\$ 552.00
9/6/2022	Marc Schwartz	Researching PQPR/FSS transactions in QB	1.00	\$ 690.00	\$ 690.00
9/6/2022	Marc Schwartz	Online to pay bills and stop payment	0.30	\$ 690.00	\$ 207.00
9/6/2022	Priya Salagundla	Updated QB and Bill Payments	8.50	\$ 325.00	\$ 2,762.50
9/6/2022	Susan Schwartz	Checked accounting email for new invoices and new vendors and updated accounts payable in QuickBooks and vendor information.	2.50	\$ 150.00	\$ 375.00
9/7/2022	Alex Taylor	Email Correspondence and Scheduling	0.80	\$ 150.00	\$ 120.00
9/7/2022	Alex Taylor	Call with J. Shulse on new hire	0.60	\$ 150.00	\$ 90.00
9/7/2022	Alex Taylor	Conference call with J. Shulse and D. Whitehair regarding Whitehair's new position and preparation for start next week	1.70	\$ 150.00	\$ 255.00
9/7/2022	Christian Schwartz	FSS - Daily Status Call	1.00	\$ 470.00	\$ 470.00
9/7/2022	Marc Schwartz	Working on investigating Cloudflare non payment and processing WT to pay them	1.00	\$ 690.00	\$ 690.00
9/7/2022	Marc Schwartz	Daily status meeting	0.50	\$ 690.00	\$ 345.00
9/7/2022	Marc Schwartz	341 meeting prep with K Lee	1.00	\$ 690.00	\$ 690.00
9/7/2022	Marc Schwartz	341 Meeting	2.50	\$ 690.00	\$ 1,725.00
9/7/2022	Marc Schwartz	Work on Debtor's rogs and rfp for plaintiffs w K Lee	0.50	\$ 690.00	\$ 345.00
9/7/2022	Mary English	Process check deposits for Donations and Operating accounts (4) and preparation of redacted bank statements for filing (1)	5.00	\$ 210.00	\$ 1,050.00
9/7/2022	Priya Salagundla	Call with Cloudflare	0.50	\$ 325.00	\$ 162.50
9/7/2022	Priya Salagundla	Updated QB and Bill Payments	1.30	\$ 325.00	\$ 422.50
9/7/2022	Priya Salagundla	Updated Quick Books	6.80	\$ 325.00	\$ 2,210.00
9/7/2022	Susan Schwartz	Checked accounting email for new invoices and new vendors and updated accounts payable in QuickBooks and vendor information.	2.00	\$ 150.00	\$ 300.00
9/8/2022	Alex Taylor	Meeting with M. Schwartz regarding new hire.	0.70	\$ 150.00	\$ 105.00
9/8/2022	Alex Taylor	Call with J. Shulse to go over Amex	1.30	\$ 150.00	\$ 195.00
9/8/2022	Christian Schwartz	FSS - Daily Status Call	1.00	\$ 470.00	\$ 470.00
9/8/2022	Marc Schwartz	Fund payroll	0.20	\$ 690.00	\$ 138.00
9/8/2022	Marc Schwartz	Status meeting	0.60	\$ 690.00	\$ 414.00
9/8/2022	Marc Schwartz	Franchise tax return	1.50	\$ 690.00	\$ 1,035.00
9/8/2022	Marc Schwartz	Call with B Roddy with K Lee on question from N Pattis	0.20	\$ 690.00	\$ 138.00
9/8/2022	Marc Schwartz	Revised processor cash report	0.50	\$ 690.00	\$ 345.00
9/8/2022	Marc Schwartz	Read draft and final affidavit, sign and send to RJ	1.00	\$ 690.00	\$ 690.00
9/8/2022	Mary English	Obtaining vendor credentials for payment updates.	0.70	\$ 210.00	\$ 147.00
9/8/2022	Priya Salagundla	Updated Quick Books; Bill Payments; Weekly A/P review and updated vendor payment information	8.50	\$ 325.00	\$ 2,762.50
9/8/2022	Susan Schwartz	Checked accounting email for new invoices and new vendors and updated accounts payable in QuickBooks and vendor information.	1.00	\$ 150.00	\$ 150.00
9/9/2022	Alex Taylor	Managing meeting with M Schwartz, CPA and attorneys	1.00	\$ 150.00	\$ 150.00
9/9/2022	Alex Taylor	Amex Review	1.30	\$ 150.00	\$ 195.00
9/9/2022	Alex Taylor	Jon Bowne Payment	0.60	\$ 150.00	\$ 90.00
9/9/2022	Alex Taylor	Internal Accounting Meeting	0.40	\$ 150.00	\$ 60.00
9/9/2022	Christian Schwartz	FSS - Daily Status Call	1.00	\$ 470.00	\$ 470.00
9/9/2022	Marc Schwartz	Working with A Jones and J Dalessio on BAL order backlog due to book sales	0.40	\$ 690.00	\$ 276.00
9/9/2022	Marc Schwartz	Located prepaid debit card sent to T Enlow	0.50	\$ 690.00	\$ 345.00
9/9/2022	Marc Schwartz	Call with Brittany Paz to help prepare for trial	1.00	\$ 690.00	\$ 690.00
9/9/2022	Marc Schwartz	Daily status call	1.00	\$ 690.00	\$ 690.00
9/9/2022	Marc Schwartz	Meeting on reassignment of duties for FSS daily accounting	0.70	\$ 690.00	\$ 483.00
9/9/2022	Marc Schwartz	Calls with AJ, P Riley, J Dalessio and B Roddy on fulfillment issues, requested Dalessio to get orders reconciled and to prepare a report on products sold	1.00	\$ 690.00	\$ 690.00
9/9/2022	Priya Salagundla	Updated QB with bank transactions; AP review; weekly bill payments	7.50	\$ 325.00	\$ 2,437.50
9/9/2022	Susan Schwartz	Checked accounting email for new invoices and new vendors and updated accounts payable in QuickBooks and vendor information.	1.00	\$ 150.00	\$ 150.00
9/9/2022	Susan Schwartz	Checked accounting email for new invoices and new vendors and updated accounts payable in QuickBooks and vendor information.	1.50	\$ 150.00	\$ 225.00
9/10/2022	Marc Schwartz	Working on cash collateral budget	2.60	\$ 690.00	\$ 1,794.00

**FREE SPEECH SYSTEMS, LLC
SCHWARTZ ASSOCIATES, LLC
PROFESSIONAL FEES AND EXPENSES DETAIL
JULY 30 TO SEPTEMBER 19, 2022**

9/10/2022	Marc Schwartz	Read Michels report and invoice	0.40	\$ 690.00	\$ 276.00
9/10/2022	Susan Schwartz	Checked accounting email for new invoices and new vendors and updated accounts payable in QuickBooks and vendor information.	1.00	\$ 150.00	\$ 150.00
9/12/2022	Alex Taylor	Coordinating New Hire with J. Shulse	0.50	\$ 150.00	\$ 75.00
9/12/2022	Christian Schwartz	FSS - Daily Status Call	1.00	\$ 470.00	\$ 470.00
9/12/2022	Marc Schwartz	Pull up and research status report requirements	0.40	\$ 690.00	\$ 276.00
9/12/2022	Marc Schwartz	Status meeting	1.40	\$ 690.00	\$ 966.00
9/12/2022	Marc Schwartz	Researching responses to questions raised at 341	1.00	\$ 690.00	\$ 690.00
9/12/2022	Marc Schwartz	Review changes to consignment agreement	0.40	\$ 690.00	\$ 276.00
9/12/2022	Marc Schwartz	Review accounts payable	0.50	\$ 690.00	\$ 345.00
9/12/2022	Priya Salagundla	Updated QB	2.90	\$ 325.00	\$ 942.50
9/12/2022	Priya Salagundla	Critical Vendor A/P	1.00	\$ 325.00	\$ 325.00
9/12/2022	Priya Salagundla	Meeting with Dani Whitehair to go over job responsibilities and deadlines	0.70	\$ 325.00	\$ 227.50
9/12/2022	Priya Salagundla	Bill Payments	1.50	\$ 325.00	\$ 487.50
9/12/2022	Susan Schwartz	Updated Quick Books accounts payable from the emails in the accounting email account	3.00	\$ 150.00	\$ 450.00
9/13/2022	Christian Schwartz	Meeting in Austin - 3	3.00	\$ 470.00	\$ 1,410.00
9/13/2022	Christian Schwartz	Drive to Austin - 7/2=3.5	3.50	\$ 470.00	\$ 1,645.00
9/13/2022	Marc Schwartz	travel to and from Austin, 5 hours billed 2.5	2.50	\$ 690.00	\$ 1,725.00
9/13/2022	Marc Schwartz	meeting with A Jones and J Dallessio on FSS organization, roles of personnel	2.00	\$ 690.00	\$ 1,380.00
9/13/2022	Marc Schwartz	Strategy meeting with R Battaglia K Lee	2.00	\$ 690.00	\$ 1,380.00
9/13/2022	Marc Schwartz	Work in accounting office to review cash received and prepare for D Whitehair	0.50	\$ 690.00	\$ 345.00
9/13/2022	Mary English	Management of vendor records	1.00	\$ 210.00	\$ 210.00
9/13/2022	Priya Salagundla	prepared variance report	2.50	\$ 325.00	\$ 812.50
9/13/2022	Priya Salagundla	Updated QB;	5.00	\$ 325.00	\$ 1,625.00
9/13/2022	Susan Schwartz	Update accounts payable from the accounting email to unpaid invoices in Quick Books	1.00	\$ 150.00	\$ 150.00
9/14/2022	Alex Taylor	Review docket and advise M Schwartz of new entries	0.20	\$ 150.00	\$ 30.00
9/14/2022	Alex Taylor	Meetings with proposed CPA for FSS Franchise and Sales Tax returns and with Sub V trustee,	0.10	\$ 150.00	\$ 15.00
9/14/2022	Christian Schwartz	Meet with FSS staff on health insurance	2.00	\$ 470.00	\$ 940.00
9/14/2022	Christian Schwartz	FSS - Daily Status Call	1.00	\$ 470.00	\$ 470.00
9/14/2022	Marc Schwartz	Status meeting	0.50	\$ 690.00	\$ 345.00
9/14/2022	Marc Schwartz	Work on getting debit card activated,	0.50	\$ 690.00	\$ 345.00
9/14/2022	Marc Schwartz	planning meeting with J Dalessio and SALLC FSS personnel	3.50	\$ 690.00	\$ 2,415.00
9/14/2022	Priya Salagundla	Updated QB with bank transactions, sales and inventory	7.90	\$ 325.00	\$ 2,567.50
9/14/2022	Susan Schwartz	Updating accounts payable from the accounting email to Quick Books	3.50	\$ 150.00	\$ 525.00
9/14/2022	Susan Schwartz	Continual checking for unpaid invoices in the accounting email to update in Quick Books	1.00	\$ 150.00	\$ 150.00
9/15/2022	Alex Taylor	Locating Laptop that meets FSS specifications for new FSS accounting employee	0.30	\$ 150.00	\$ 45.00
9/15/2022	Christian Schwartz	FSS - Daily Status Call	1.00	\$ 470.00	\$ 470.00
9/15/2022	Marc Schwartz	Meeting with M Haseldon, E Freeman	4.00	\$ 690.00	\$ 2,760.00
9/15/2022	Marc Schwartz	Emburse cards demo, prepaid debit cards	1.00	\$ 690.00	\$ 690.00
9/15/2022	Mary English	Management of vendor records	1.00	\$ 210.00	\$ 210.00
9/15/2022	Priya Salagundla	Updated QB; review AP balance and collected vendor payment information	8.20	\$ 325.00	\$ 2,665.00
9/15/2022	Marc Schwartz	Download time records requested by UST	0.20	\$ 690.00	\$ 138.00
9/16/2022	Alex Taylor	Review docket and advise M Schwartz of new entries	0.30	\$ 150.00	\$ 45.00
9/16/2022	Marc Schwartz	Call with J Delassio and A Jones	0.50	\$ 690.00	\$ 345.00
9/16/2022	Marc Schwartz	review and process bill payments	0.20	\$ 690.00	\$ 138.00
9/16/2022	Marc Schwartz	Daily status meeting	0.50	\$ 690.00	\$ 345.00
9/16/2022	Marc Schwartz	Working on amending schedules	3.00	\$ 690.00	\$ 2,070.00
9/16/2022	Marc Schwartz	Call C Cicak on need for credit card processing intermediary	0.50	\$ 690.00	\$ 345.00
9/16/2022	Mary English	Obtaining vendor credentials for ACH billing and document management.	6.90	\$ 210.00	\$ 1,449.00
9/16/2022	Priya Salagundla	Updated QB and weekly AP payments	7.50	\$ 325.00	\$ 2,437.50
9/16/2022	Susan Schwartz	Updated unpaid invoices from the accounting email to Quick Books	2.00	\$ 150.00	\$ 300.00
9/17/2022	Marc Schwartz	Email to counsel on conversation with C Cicack	0.50	\$ 690.00	\$ 345.00
9/17/2022	Marc Schwartz	Working on SOFA revision	1.20	\$ 690.00	\$ 828.00
9/17/2022	Marc Schwartz	Working on disposable income projection	2.60	\$ 690.00	\$ 1,794.00
9/17/2022	Marc Schwartz	Wes Perkins billings and contract	0.20	\$ 690.00	\$ 138.00
9/17/2022	Susan Schwartz	Updated Schedule G in the Bankruptcy schedules (.5) and input unpaid invoices from accounting email into Quick Books (1.5)	2.00	\$ 150.00	\$ 300.00
9/17/2022	Marc Schwartz	preparing for Tuesdays hearing	1.10	\$ 690.00	\$ 759.00
9/18/2022	Christian Schwartz	Review sales for tax returns for TX CPA	4.30	\$ 470.00	\$ 2,021.00

**FREE SPEECH SYSTEMS, LLC
SCHWARTZ ASSOCIATES, LLC
PROFESSIONAL FEES AND EXPENSES DETAIL
JULY 30 TO SEPTEMBER 19, 2022**

9/18/2022	Marc Schwartz	working on disposable income determination	0.90	\$ 690.00	\$ 621.00
9/18/2022	Marc Schwartz	work on disposable income	1.50	\$ 690.00	\$ 1,035.00
9/18/2022	Susan Schwartz	Checked accounting email to see if any past due accounts payable had been posted to the accounting email	1.00	\$ 150.00	\$ 150.00
9/19/2022	Alex Taylor	Review docket and advise M Schwartz of new entries	0.10	\$ 150.00	\$ 15.00
9/19/2022	Alex Taylor	AMEX Vendor Notes for M Schwartz	0.30	\$ 150.00	\$ 45.00
9/19/2022	Marc Schwartz	Status meeting	0.60	\$ 690.00	\$ 414.00
9/19/2022	Marc Schwartz	Working on disposable income analysis	1.80	\$ 690.00	\$ 1,242.00
9/19/2022	Marc Schwartz	Banking, checking balances, balance transfers, attempting to pay vendor, review payments made	0.70	\$ 690.00	\$ 483.00
9/19/2022	Marc Schwartz	Continue working on disposable income analysis, finalize and send draft to counsel	1.00	\$ 690.00	\$ 690.00
9/19/2022	Christian Schwartz	Prepare for Status Conference	8.00	\$ 470.00	\$ 3,760.00
9/19/2022	Priya Salagundla	Updated QB with bank transactions, settlement reports	7.40	\$ 325.00	\$ 2,405.00
9/19/2022	Susan Schwartz	Updated unpaid invoices from the accounting email to Quick Books	1.50	\$ 150.00	\$ 225.00
9/20/2022	Marc Schwartz	Attend hearing on motion to employ CRO and Shannon Lee	6.50	\$ 690.00	\$ 4,485.00
9/20/2022	Christian Schwartz	Status Conference	6.50	\$ 470.00	\$ 3,055.00
9/20/2022	Alex Taylor	Review docket and advise M Schwartz of new entries	0.10	\$ 150.00	\$ 15.00
9/20/2022	Marc Schwartz	Prepare notes for Status Report	0.50	\$ 690.00	\$ 345.00
9/20/2022	Priya Salagundla	Updated QB and prepared weekly variance report	8.00	\$ 325.00	\$ 2,600.00
9/20/2022	Susan Schwartz	Checking on invoices posted in Quick Books and emailed to the accounting email account	1.00	\$ 150.00	\$ 150.00
TOTAL FEES			899.20		<u>\$ 359,949.50</u>
EXPENSES					
7/30/2022	Marc Schwartz	documents for 1st day hearing	58.00	\$ 0.25	\$ 14.50
8/17/2022	Marc Schwartz	(Hyatt) Hotel stay in Austin, TX on 08/18/2022 for Dr. Joe Michels	1.00	\$ 266.85	\$ 266.85
8/16/2022	Marc Schwartz	(American Airlines) Flight from DFW to AUS for Dr. Joe Michels on 08/18/2022	1.00	\$ 744.19	\$ 744.19
8/16/2022	Marc Schwartz	(Allianz) Trip insurance from DFW to AUS for Dr. Joe Michels	1.00	\$ 42.20	\$ 42.20
8/11/2022	Marc Schwartz	Endorsement stamps for checks	1.00	\$ 53.41	\$ 53.41
8/3/2022	Christian Schwartz	Miles from SALLC Office to Austin, TX and back.	328.00	\$ 0.58	\$ 190.24
					<u>\$ 1,311.39</u>
TOTAL FEES AND EXPENSES					<u>\$ 361,260.89</u>

Exhibit B

COMPENSATION BY PROJECT CATEGORY

CATEGORY	HOURS	AMOUNT
Preparation and maintenance of bankruptcy schedules and Statement of Financial Affairs	80.90	\$ 28,265.00
Prepare and maintain rolling 13 week cash flow budgets	45.70	\$ 17,738.00
Maintaining books of account	158.30	\$ 51,074.50
Court filings	30.70	\$ 19,385.00
Prepare for and attend court hearings and creditor meetings	82.10	\$ 48,317.00
Inventory management and acquisition	10.40	\$ 7,176.00
Payroll	19.10	\$ 9,157.00
Managing accounts payable and banking	306.20	\$ 85,456.50
Attention to operations	23.30	\$ 13,936.00
Working on plan of reorganization	9.10	\$ 6,279.00
Travel time (1/2 time charged)	17.00	\$ 8,840.00
Meetings with bankruptcy counsel	67.80	\$ 38,285.00
Internal meetings	17.40	\$ 6,407.50
Other	14.50	\$ 8,110.00
Investigations	2.90	\$ 2,001.00
Discovery	13.80	\$ 9,522.00
	<u>899.20</u>	<u>\$ 359,949.50</u>



Exhibit C

COMPENSATION BY PROFESSIONAL

NAME	HOURS	RATE	AMOUNT	YEARS OF EXPERIENCE
Alex Taylor	31.60	150.00	\$ 4,740.00	8
Christian Schwartz	130.90	470.00	\$ 61,523.00	14
Harold Lee	115.40	280.00	\$ 32,312.00	4
Marc Schwartz	225.60	690.00	\$ 155,664.00	48
Mary English	128.30	210.00	\$ 26,943.00	7
Priya Salagundla	220.90	325.00	\$ 71,792.50	5
Susan Schwartz	46.50	150.00	\$ 6,975.00	49
Total	<u>899.20</u>		<u>\$ 359,949.50</u>	



Exhibit D

EXPENSES BY CATEGORY

Date	Category	Description	Quantity	Unit Price	Amount
7/30/2022	Prepare for and attend court hearings and creditor meetings	documents for 1st day hearing	58.00	\$ 0.25	\$ 14.50
8/17/2022	Prepare for and attend court hearings and creditor meetings	(Hyatt) Hotel stay in Austin, TX on 08/18/2022 for Dr. Joe	1.00	\$ 266.85	\$ 266.85
8/16/2022	Prepare for and attend court hearings and creditor meetings	(American Airlines) Flight from DFW to AUS for Dr. Joe	1.00	\$ 744.19	\$ 744.19
8/16/2022	Prepare for and attend court hearings and creditor meetings	(Allianz) Trip insurance from DFW to AUS for Dr. Joe	1.00	\$ 42.20	\$ 42.20
8/11/2022	Managing accounts payable and banking	Endorsement stamps for checks	1.00	\$ 53.41	\$ 53.41
8/3/2022	Travel	Miles from SALLC Office to Austin, TX and back.	328.00	\$ 0.58	\$ 190.24
					<u>\$ 1,311.39</u>



**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	
FREE SPEECH SYSTEMS, LLC,	§	Case No. 22-60043
	§	
DEBTOR.	§	Chapter 11 (Subchapter V)
	§	

**ORDER GRANTING MOTION OF W. MARC SCHAWARTZ AND SCHWARTZ
ASSOCIATES, LLC FOR ORDER ALLOWING ADMINISTRATIVE EXPENSE CLAIM
AND GRANTING RELATED RELIEF**

Came for consideration the Motion of W. Marc Schwartz and Schwartz Associates, LLC (collectively “Schwartz”) for Order Allowing Administrative Expense Claim and Granting Related Relief (the “Motion”). Upon consideration of the Motion, the record and evidence in the above-captioned case, it is hereby ORDERED THAT:

1. Schwartz is allowed an administrative expense claim in the above-captioned chapter 11 case in the amount of \$348,463.89 (the “Allowed Administrative Expense Claim”).
2. Schwartz is authorized to draw on its prepetition retainer received from the Debtor in an amount up to the amount of the Allowed Administrative Expense Claim.
3. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this order.

Dated: _____, 2022

UNITED STATES BANKRUPTCY JUDGE